

*Ministry of
Energy, Mines and
Petroleum Resources*

**2005/06
Annual Service Plan Report**



**BRITISH
COLUMBIA**

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Message from the Minister and Accountability Statement

Energy, mining and petroleum resources drive British Columbia's dynamic and modern economy. B.C. is experiencing renewed development of these important resource sectors within our thriving economy. B.C.'s real GDP grew by a solid 3.5 per cent in 2005, slightly faster than the 3.4 per cent growth rate forecast in the *September Budget Update*. This growth ranks B.C. first in Canada in per capita job creation in 2005. A strong focus on the government's Great Goals has helped the Ministry of Energy, Mines, and Petroleum Resources generate initiatives to seize the opportunities and face the challenges of our current economic environment.

The 2005/2006 annual service plan report gives me an opportunity to highlight some excellent results achieved by the Ministry. The government has worked to establish the groundwork for long-term prosperity and we are now reaping the benefits of that work. I can only conclude, with both domestic and international interest in our energy, mining and petroleum resources, that we are well on our way towards sustaining a thriving and competitive provincial economy.

Expansion in these resource sectors is due in part to a streamlined regulatory environment and increased investment in infrastructure. A good example of achieving streamlined regulations is the recent modification of commingling procedures in the Deep Basin. The outcome of this streamlining will reduce the producer's completion costs, increase the amount of natural gas reserves that can be produced from a well, and increase conservation of the resource.

In November 2005, I announced a review and renewal of the Ministry's 2002 Energy Plan. This review, now well underway, will culminate in an expanded and long-term plan to guide the development and management of B.C.'s energy and petroleum resource sectors. The renewed Energy Plan will also identify ways that British Columbians can conserve our energy resources to ensure their long-term sustainability.

In managing our natural resources, the Province must ensure those resources are developed responsibly for the benefit of all British Columbians. One of our Great Goals is to lead the way in sustainable environmental management. We are demonstrating our commitment to this Great Goal by developing best practice guidelines, mine site inspection programs, and a focus on clean and alternative energy and energy efficiency programs.

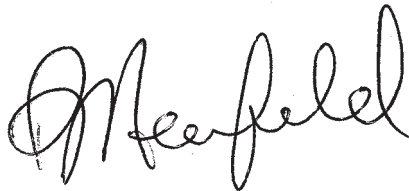
Last fall, we released our Energy Efficient Buildings Strategy, the first of its kind in Canada. This Strategy establishes voluntary and cost-effective efficiency targets for new and existing buildings, while promoting energy efficient technology. Energy efficiency provides options to consumers to manage rising energy costs and improve the indoor air quality of buildings.

Communities across B.C. are participating in our Community Action on Energy Efficiency programs, and our Remote Communities Strategy targets energy efficiency and renewable energy projects in ten First Nation communities based on community energy plans.

Our activities also focus on the Great Goal of education. The Ministry's programs which provide oil and gas and mining job fairs and educational funding lead to real job opportunities for British Columbians in well-paying growth industries. These programs are offered in partnership with the private sector.

By focusing the Ministry's efforts on environmentally responsible economic growth, we contribute to the other Great Goals that make life in this province one of the best in the world. Each year a portion of resource revenues is used to encourage healthy living and provide funds to support the most vulnerable in our society. The Ministry continues to play an important role in sustaining our quality of life and in ensuring the energy future of British Columbians.

The 2005/06 Ministry of Energy, Mines and Petroleum Resources Annual Service Plan Report compares the actual results to the expected results identified in the Ministry's 2005/06 - 2007/08 Service Plan Update. I am accountable for those results as reported.

A handwritten signature in black ink, appearing to read "R. Neufeld". The signature is fluid and cursive, with the first letter of each word being significantly larger and more stylized than the others.

Honourable Richard Neufeld
Minister of Energy, Mines and Petroleum Resources

June 30, 2006



Message from the Minister of State and Accountability Statement

Today, mining is a \$5 billion industry in British Columbia. Mineral exploration investment hit \$220 million in 2005, an increase of 600 per cent over 2001. The government's policies have strengthened industry confidence in B.C.'s regulatory regime, resulting in increased industry investment.

For fiscal year 2005/2006, I have been responsible for the following three results:

- Develop options for streamlining mine and mineral exploration approval processes to increase global investment in British Columbia's mining sector and present a status report to the Government Caucus Committee on Natural Resources and Economy;
- Prepare user-friendly guidelines to reflect the environmental standards and regulations used in mining and present the guidelines to the Government Caucus Committee on Natural Resources and Economy; and
- Develop a multi-agency plan that will promote the consistent application of the integrated land use system for exploration and mining in British Columbia and present the plan to the Government Caucus Committee on Natural Resources and Economy.

These efforts have resulted in a number of achievements including: participation in the establishment of the Front Counter office in Kamloops, processing applications for more than 650 exploration projects; and contributing to more than 20 mine development projects. The Ministry also implemented Mineral Titles Online, an award winning internet-based claim registration and maintenance system. This system has resulted in a significant increase in claims registered. B.C.'s geological databases have been rated the best in the world by the Fraser Institute's Survey of the international mining community. The Ministry was also engaged in developing and participating in many land use planning initiatives and workshops.

These accomplishments reflect the Ministry's commitment to the Government's Goals of leading the world in sustainable environmental management and creating more jobs per capita than anywhere else in Canada. In fact, the mining sector is currently forecast to have the fastest growth of any of B.C.'s industrial sectors in 2006. More than 28,000 people are employed in the industry, with an average annual wage of \$94,000.

B.C. has a strong regulatory regime which ensures safe and environmentally responsible resource development. Applications for mine exploration and development in B.C. are required to complete extensive and thorough environmental assessment processes that include public and First Nations consultation and input, comprehensive environmental reviews, and a mine closure plan that maintains high standards for clean air, clean water and healthy communities.

The Ministry also focused on the Government Goal relating to being the best educated, most literate jurisdiction on the continent. Mining career and job fairs were held in twenty-one communities across B.C. in conjunction with industry and educational institutions. These fairs assist individuals in their search for well paying jobs in local communities. With firm commitments to education and training from both government and industry, we can create long-term opportunities in this growing sector.

Mining is booming in B.C. and its outlook is promising. Government policies that promote exploration combined with a mining sector that is globally competitive, safe and environmentally responsible ensures B.C. maintains its status as a global leader in mineral exploration and development.

The 2005/06 Annual Service Plan Report compares the actual results to the expected results identified in the Ministry's 2005/06-2007/08 Service Plan Update. I am accountable for those results as reported.

A handwritten signature in black ink, appearing to read "Bill Bennett". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Honourable Bill Bennett
Minister of State for Mining

June 30, 2006

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Highlights of the Year

Highlights of the Year

The substantial growth experienced by B.C.'s energy, mining and petroleum resource sectors in 2004/05, continued in 2005/06 supported by the policies and programs of the Ministry of Energy, Mines and Petroleum Resources (Ministry). High commodity prices, and an improved investment climate created by improved policies and regulatory streamlining, resulted in increased levels of resource exploration and development activity. Energy, mineral and petroleum resource revenues to the Provincial Treasury are expected to be about \$3 billion, providing funds for healthcare, education and social programs. The Ministry's achievements in 2005/06 include:

New Energy Plan — In November 2005, the Ministry initiated a review and renewal of the 2002 Energy Plan. This is now well under way and will result in a long term plan for the management of B.C.'s energy and petroleum resource sectors.

Marketing, Aboriginal and Community Relations

Community Engagement — The Community Engagement Plan was implemented in 2005/06 with the initiation of the following actions:

- Development of the Northeast Energy and Mines Advisory Committee to begin a direct dialogue between the Ministry and a cross-sectoral committee of community, First Nations and local government stakeholders;
- Dialogue with Northeast local government staff on how to reduce conflicts related to oil and gas tenuring and residential development;
- Community engagement in targeted areas regarding project specific initiatives; and
- A Provincial forum with B.C. and national organizations whose focus is environmental and conservation management.

Marketing — A strategic approach to attracting investment to British Columbia was implemented. Highlights included:

- Hosting the first annual forum of senior mining industry and investment leaders in Vancouver to identify opportunities to improve business opportunities and investor certainty in British Columbia;
- Leading the development of investor relations linked to Ministry attendance at the North American Prospect Exchange including an international investors' luncheon, in conjunction with the Canadian Embassy that showcased B.C.'s resource potential to over 500 guests and leading a meeting of financial community representatives in Houston to highlight B.C.'s geology and promote our opportunities and regulatory reforms.

- Developing and printing of both B.C. mineral and oil and gas sector investor promotion kits for use throughout North America; and
- Leading development and production of Ministry conference booths for national and international mining and oil and gas conferences.

New Relationship with First Nations — In support of the Ministry of Aboriginal Relations and Reconciliation's leadership within government on the New Relationship, the Ministry increased its collaboration with First Nations across all lines of business to reflect the principles of that commitment.

Oil and Gas

Oil and Gas Development Strategy — In November 2005, Treasury Board approved the fourth phase of the Oil and Gas Development Strategy (OGDS). Highlights included:

- A new royalty scheme for ultra-marginal wells, deep, marginal, coalbed gas and summer targeted royalty programs as permanent features of B.C. royalty regime;
- Roads/Infrastructure —
 - A third \$30 million instalment in royalty road credits for 2006/07 was approved;
 - \$42 million (fiscal year 2005/06) to upgrade public roads throughout northeast B.C. so they can be used year-round by industrial traffic; and
 - Up to \$36.5 million in royalty credits for pipeline infrastructure (2005/06 and 2006/07).

Regulatory Improvement — The Oil and Gas Regulatory Improvement Initiative (OGRII) Discussion Paper was released, inviting public comment on a range of changes to oil and gas regulation. The proposed regulatory changes will balance substantial increases in exploration and development in B.C. with the need to protect public health and safety and sustainable environmental values.

Job Fairs — Building on the success of the 2004 pilot project on Vancouver Island, job fairs were held to attract workers to the highly lucrative oil and gas industry in 14 communities in Northeast B.C., Cariboo-Chilcotin Coast and Thompson Okanagan in 2005.

Orphan Site Reclamation Fund — The Orphan Site Reclamation Fund is a new funding program that puts the burden of reclamation payment on industry rather than B.C.'s taxpayers. The fund will be used by the Oil and Gas Commission to pay for the reclamation of orphan sites and reimburse property owners for unpaid rental leases.

First Nations in Oil and Gas — In March 2006, Blueberry River First Nations and the Province signed a new Oil and Gas Consultation Agreement. The agreement ensures better consultation between the First Nation and the oil and gas industry, keeps the lines of communication flowing smoothly between the First Nation and the Province over activities on Crown lands in B.C.'s resource-rich Northeast, and encourages industry to foster long-term, mutually beneficial business relationships. Negotiations with other Treaty 8 First Nations are ongoing.

Offshore Oil and Gas

The Ministry works to enable offshore oil and gas development to take place in B.C. The Province believes that the potential for development of offshore oil and gas resources is of significant public value. Ministry staff work to inform communities, stakeholders and First Nations about the potential benefits of offshore oil and gas development.

Mining and Minerals

B.C. Mining Plan — This comprehensive approach to sustainable mining in B.C., was released in January 2005. The four cornerstones of the B.C. Mining Plan are to focus on communities and First Nations, to protect workers, their surroundings and the natural environment, to compete on a global scale and to secure access to land.

Since the B.C. Mining Plan's release, the Ministry has completed or started all 14 strategies, and of the 57 action items, 30 are completed, 25 are in progress, and two are about to be initiated.

Mining Education Network — A collaborative partnership between First Nations, educational institutions, industry and government to coordinate education, skills development and employment opportunities across British Columbia.

- Mining Rocks! Career and Job Opportunities Tour consisted of 23 events held throughout British Columbia with approximately 5000 total attendees (including Mining in Society event in Vancouver, May 14–16, 2005). Participation from seven colleges and 18 exploration and mining companies/organizations made these fairs a great success.
- Northwest School of Exploration and Mining provided training and entry level skills for people in rural and First Nations communities to become involved in the mineral exploration and mining industry. Out of these graduates, most have secured employment in the resource industry and other sectors.

Health and Safety Improvements — Improvements were implemented through a newly developed mine site inspection and audit program that are designed to improve compliance with safety requirements to protect workers. There were five audits performed in 2005.

Mineral Titles Online — This award winning Internet-based claim registration and maintenance system was implemented in January 2005. Over 4.86 million hectares of new claims were created in calendar year 2005 using the system. In the first full year of operation, Mineral Titles Online was recognized as a great success by industry and government, garnering four prestigious awards.

First Nations Mining Initiatives — In early 2006, the Province dedicated \$2.3 million to train rural and aboriginal youth for careers in B.C.'s mining and mineral exploration industry. This funding included dollars to continue the pilot program through the School of Exploration and Mining at Northwest Community College, a program designed to deliver mining entry level field assistant programs to First Nations and rural communities (half of the students were aboriginal and over 50 per cent obtained employment in the resource sector). At the same time, the Ministry's Mining Rocks! Career and Job Opportunities Tour was launched to raise awareness about opportunities in exploration and mining and to

provide information about, and improved access to, employment in the sector. Funding was also dedicated to support the Joint Aboriginal Minerals Training Initiative, a collaborative partnership between the British Columbia Institute of Technology and the Association for Mineral Exploration British Columbia.

Electricity and Alternative Energy

Energy Efficiency in Buildings Strategy — In September 2005, the Ministry announced the Energy Efficiency in Buildings Strategy. This Strategy supports a 2002 Energy Plan policy action to reduce energy consumer costs, promote investment in energy efficient equipment and buildings, and reduce local and greenhouse gas air emissions. A “market transformation” approach for buildings is being pursued, whereby energy efficiency is achieved through four types of measures: information, education and capacity building; pricing and incentives; voluntary measures; and amendments to the Energy Efficiency Standards Regulation for building components and equipment.

Wind Power Policy — In October 2005, a new Crown land tenuring policy was approved for wind power projects that offers flexibility and incentives for wind power producers to proceed with capital investment. The policy includes a wind participation rent which is calculated using a sliding scale rate formula which varies according to the actual annual electricity production. Participation rent is not payable during the first year of operation of the facility.

Alternative Energy Strategy and Alternative Energy and Power Technology Task Force

— In April 2005, the Province released an Alternative Energy Strategy and announced the formation of the Alternative Energy and Power Technology Task Force. The Task Force consulted with stakeholders and interested parties to identify solutions to today’s energy challenges and submitted a report to Government with options and recommendations for showcasing B.C.’s leadership potential in sustainable energy development.

Hydrogen and Fuel Cell Strategy — In 2004/05, the Province provided \$2 million in funding to Fuel Cells Canada to begin implementing B.C.’s Hydrogen and Fuel Cell Strategy. Since then, more than \$110 million in related investment activity in the Province has been leveraged. Hydrogen and fuel cell developments are driving new private sector investment in B.C., providing both jobs and technology for a healthier and more prosperous future.

First Nations and Alternative Energy — The Ministry initiated the First Nation and Remote Community Clean Energy Program in 2006. The Program supports B.C. First Nations in the implementation of their Community Energy Planning action plans. The program also provides financial incentives (totalling \$3.8 million) to ten First Nation communities who develop and implement zero-emission electricity supply projects and demand-side efficiency and management options. The incentives will be applied to the communities’ clean energy project capital costs and, to a maximum of 20 per cent of eligible costs, local training in the field of alternative energy and energy efficiency, leading to increased employment opportunities.

Purpose, Vision, Mission and Values

Purpose

The Ministry is tasked with managing the responsible development of British Columbia's energy, mineral and petroleum resource sectors. Natural gas is now the single largest source of provincial revenue derived from a natural resource. As commodity prices for natural gas, oil, electricity and minerals remain strong, British Columbians can expect to see continued benefits and resource development opportunities. The Ministry develops policies and programs to facilitate increases in jobs, investment and revenue related to these sectors, while ensuring sound environmental rules and regulations.

The Ministry administers 25 statutes pertaining to the energy, mining and petroleum resource sectors. These statutes are listed in Appendix 2. In addition, the Minister of Energy, Mines and Petroleum Resources is responsible for the Assayers Certification Board of Examiners, British Columbia Hydro and Power Authority, British Columbia Transmission Corporation, Columbia Power Corporation, Mediation and Arbitration Board and the Oil and Gas Commission.

It is important to note that significant revisions to the content of the Ministry's Service Plan were made between the September 2005/06 Service Plan Update and the 2006/07 Service Plan. The 2006/07 plan is more focused, and provides corporate and strategic direction to the Ministry with regard to its mandate. In order to signal this change in emphasis, the Ministry reviewed its vision, mission and values during the 2006/07 planning session. Corporate goals for which all areas of the Ministry are accountable replaced goals that had been selected by core business area. New performance measures for 2006/07 show how these goals will be supported. Changes to the vision, mission and values of the Ministry from the 2005/06 Service Plan Update to 2006/07 Service Plan are shown in Appendix 3 and will be fully reported on in next year's Annual Service Plan Report.

Vision

Thriving, competitive, safe and environmentally responsible energy and mining sectors significantly benefiting all British Columbians.

Mission

The Ministry facilitates investment in the responsible development of British Columbia's energy and mineral resources to benefit British Columbians.

Values

The following values define the Ministry's management style and positions it to achieve its Service Plan goals and objectives.

Advocacy

The Ministry works with the energy and mining sectors, advocating their interests to broader stakeholder groups in a way that ensures the responsible and sustainable development of energy and mineral resources.

Integrity

The Ministry is committed to respectful, honest and ethical behavior in all its communications and actions.

Responsiveness

The Ministry is service-oriented and responds to the needs of its stakeholders and the public in a timely and effective manner.

Accountability

The Ministry is accountable to government and the public for the results identified in its Service Plan. The Ministry is effective and efficient in delivering timely services and implementing sound financial management.

Professionalism

The Ministry is committed to maintaining the highest levels of both technical competency and public service values, and encouraging innovation and creativity.

Partnership Building

The Ministry promotes teamwork, good working relationships and effective partnerships with others.

Strategic Context

British Columbia is in the fortunate position of having abundant opportunities for energy, mineral and petroleum resource development at a time when the markets for these commodities remain robust. High prices on international markets for coal, minerals, electricity, oil and natural gas are resulting in increased jobs, business opportunities and government revenue from the production of these commodities from B.C. operations.

Oil and gas activity levels remain robust in B.C., with many companies pursuing B.C.'s relatively unexplored potential. Companies are still able to acquire substantial contiguous blocks of rights in B.C., which is particularly valuable for those pursuing development of oil and gas resources.

The current resurgence in the B.C. mining sector reflects both the fact that the Province is one of the richest mineral regions in the world as well as recent improvements in government policies, regulations and support for the mining industry. The significant international upturn in the mining of all commodities, coupled with the growing economies of Asia, provides B.C. with an opportunity to benefit from exploration investments and new and expanded mine developments.

B.C.'s energy consumption continues to increase. The need to reduce demand growth and manage the link between energy use, greenhouse gas emissions and air quality, will drive efforts toward greater energy efficiency and the development of cleaner sources of energy. Implementing policies such as "Energy Efficient Buildings: A Plan for B.C." as well as the renewal of the B.C. Energy Plan will help the Province achieve these goals. The responsible development of the Province's clean and renewable electricity resources is a key aspect of B.C.'s energy future. B.C. is currently a net importer of electricity. Investments in generation within the Province will reduce exposure to price swings and security of supply issues associated with imports from neighboring jurisdictions.

Technology plays an important role in reducing energy use without sacrificing economic growth. Considerable opportunities exist to develop and commercialize new energy technologies and renewable energy sources such as clean coal, wind, geothermal, ocean energy, biomass and biofuels.

The Ministry assesses its risks and opportunities annually as part of the strategic planning process. Once these risks/opportunities have been identified they are addressed through strategies that result in successful implementation of the Ministry's goals and objectives for that given period. The following list summarizes these risks and opportunities.

External Factors

- **Financial** — Changes in financial markets can impact spending and investment decisions in some sectors. In addition, while commodity prices impact investment levels, prices remain beyond the control of the Ministry. The Ministry continues to focus on identifying

the opportunities created by the high commodity price environment to ensure responsible and sustainable development in the face of volatile financial markets.

- **Global Supply/Demand** — B.C. is Canada's gateway to the Asia-Pacific and with ports closer to China than those in the mainland US, B.C. can become a North American centre for Asia-Pacific trade. This advantage, coupled with an open trading economy, a strong multicultural society and our reputation as a renowned tourism and business destination means that B.C. is well positioned to build on its Asia-Pacific connections. The emergence of China and India as major commodity consumers has increased demand and prices in a wide range of resource commodity markets, such as coal used in making steel and a wide range of metals.
- **Competition** — Investment dollars move readily around the globe to the jurisdictions that provide the highest net return for given levels of risk. The Ministry monitors changes in B.C.'s competitiveness as compared to other jurisdictions and implements strategies to maintain our competitive position and investment attractiveness.
- **Skilled Workers** — Due to growing demand throughout Canada for both skilled and unskilled labour, the Ministry continues to engage in new strategies to inform, attract, train and retain workers.
- **First Nations and Community Consultation** — Many First Nations and communities are actively looking at the opportunities open to them to engage in proactive energy planning — ranging from energy conservation programs to the economic development opportunities associated with resource development, and the opportunity to contribute to the development of sound public policy. Ministry efforts to operationalize the New Relationship with First Nations and implement a community engagement strategy to enhance public dialogue, provide greater community benefits and increase investment certainty for industry are ongoing.

Internal Factors

- **Collaborative Relationship with Stakeholders** — The Ministry will continue to strive to build exemplary relationships with its key client groups and stakeholders in order to advance new programs and strategies.
- **Technology** — The Ministry is pushing forward a number of technological initiatives to enhance service and attractiveness to industry, such as an online permitting system for mineral exploration, B.C.'s state of the art mineral resource and geoscience databases, and interactive mapping websites.
- **Regulatory Streamlining** — The Ministry has reduced regulation to facilitate development while ensuring the integrity of environmental, health and safety standards. The Ministry continues to review the effectiveness of existing legislation and policies, and supports the government-wide Regulatory Reform initiative by meeting the goal of no net increase in regulation over the next three years.

Strategic Government Direction

With regard to the Five Great Goals for a Golden Decade, the Ministry continues to make a significant contribution to the first three Great Goals through a strong policy and regulatory framework which facilitates the provision of substantial government revenue.

Great Goal One: Make British Columbia the best educated, most literate jurisdiction on the continent.

Great Goal Two: Lead the way in North America in healthy living and physical fitness.

Great Goal Three: Build the best system of support in Canada for persons with disabilities, those with special needs, children at risk and seniors.

The Ministry makes direct contributions to these first three Great Goals through such initiatives as government-industry partnerships in oil and gas education and training, and promoting best practices in workplace health and safety in the petroleum, energy and mining industries.

The Ministry's major direct contributions are with regard to delivering programs in support of the last two Great Goals.

Great Goal Four: Lead the world in sustainable environmental management, with the best air and water quality, and the best fisheries management, bar none.

Great Goal Five: Create more jobs per capita than anywhere else in Canada.

With regard to Great Goal Four, energy, mineral and petroleum resource development must be achieved while British Columbians continue to enjoy a healthy and vibrant environment. In support of this goal, the Ministry continues to pursue best practices for oil and gas development; maintain effective, efficient regulation of mines and mineral exploration sites aimed at health, safety and environmental best practices; and promote the development and use of alternative energy technology and energy efficiency measures.

With regard to Great Goal Five, the responsible growth of the energy, mining and petroleum sectors brings with it the creation of safe, family-supporting jobs throughout B.C. The Ministry encourages investment and activity in these sectors and works with other ministries to help ensure B.C. businesses and workers are available to supply these industries' needs. New investments in geoscience, streamlined regulation and new policies to promote B.C.'s leading edge alternative energy sector, will result in greater economic activity as well as more businesses and jobs in the Province. Ministry strategies supporting Great Goal Five included: expanding opportunities for job training and placement; facilitating First Nation involvement; engaging communities and stakeholders; ensuring reliable low cost electricity is available to support economic development and job creation; and pursuit of offshore oil and gas exploration and development.

Core Business Areas

The Ministry's core business areas are set out in the table below, and a description of each business area follows after the table.

Core Business Areas — Overview

Core Business of the Ministry	Organization within the Ministry
1. Oil and Gas	<ul style="list-style-type: none"> • Oil and Gas Division — Develops and implements policies and programs to maximize the benefits from oil and gas resources.
2. Offshore Oil and Gas	<ul style="list-style-type: none"> • Offshore Oil and Gas Division — Established to enable offshore oil and gas development to occur in British Columbia in a scientifically sound and environmentally responsible manner. (In July 2005 this became a full division of the Ministry.)
3. Mining and Minerals	<ul style="list-style-type: none"> • Mining and Minerals Division — Develops and implements policies and programs to manage and promote the exploration and development of coal, aggregate, industrial minerals and mineral resources. The Division also regulates the mining industry, including mine health and safety.
4. Electricity and Alternative Energy	<ul style="list-style-type: none"> • Electricity and Alternative Energy Division — Develops and implements policies and programs to support all forms of electrical power generation, advance alternative energy technologies and promote economy-wide energy efficiency and conservation.
5. Executive and Support Services	<ul style="list-style-type: none"> • Marketing, Aboriginal and Community Relations Division — Provides corporate support and services, leads intergovernmental issues, leads investment promotion and facilitates First Nations and community participation in the energy, mineral and petroleum resource sectors. • Shared Management Services Division — Shared with the Ministry of Economic Development and provides financial and administrative services. • Titles Division — Issues and administers tenures for Crown oil and gas rights, and mineral and coal rights.

Core Business Areas:

Oil and Gas

The Crown owns the vast majority of the Province's petroleum and natural gas. The Ministry is the steward of these resources and is mandated to protect the public interest in oil and gas development and ensure that benefits from resource development are maximized for all British Columbians. In 2004/05, provincial government revenue generated directly from the production of oil and gas in B.C. was \$1.8 billion, or about 8 per cent of total provincial revenues. With abundant oil and gas deposits throughout the province, oil and gas revenue will continue to play an important role in the provincial economy.

The Oil and Gas Division is planning now for the future by reviewing its policies and programs to enhance the oil and gas regulatory regime in order to protect human health and the environment. The Division also strives to maximize the benefits from the Province's oil and gas revenues, including increasing revenue and private sector business opportunities, innovative oil and gas infrastructure and royalty programs, developing the Interior Basins, promoting geological potential, and enhancing the competitive business climate for oil and gas service companies. Operating expenses for this core business area totaled \$11,937,000 in 2005/06 and the Oil and Gas Division had 79 full time positions.

The Titles Division issues and administers tenures for Crown-owned petroleum and natural gas, geothermal and underground gas storage rights, and collects associated revenues. The monthly disposition process for oil and gas rights generated an average of \$470 million annually for the past three years, while the administration of tenure provided a further \$60.6 million, averaged over the same period.

The purpose of the Offshore Oil and Gas Division is to enable offshore oil and gas development to occur in B.C. in a scientifically sound and environmentally responsible manner. The Province believes that the potential opportunities provided by offshore oil and gas development are of significant public value. The Ministry is taking a principled approach to researching management and regulatory regimes in other jurisdictions in order to identify best practices for west coast offshore development. The Division is working with communities, First Nations, and key stakeholders to provide reliable and objective information on potential benefits of offshore oil and gas. In addition, the Division is collaborating with the Federal government and provincial educational institutions to address science issues related to the offshore. Operating expenses for this core business area totaled \$4,252,000 in 2005/06 and the Offshore Oil and Gas Division had 12 full time positions.

Mining and Minerals

Mining has fueled economic development throughout the province since the first Gold Rush nearly 150 years ago. B.C. is rich in mineralization and is ranked high by companies with respect to mineral resource potential including coal, aggregate, industrial minerals and metal resources. Mining revenues and jobs are increasing as government policies and commodity prices fuel investor confidence and attract the mining industry to develop these rich resources. The Province is committed to attracting exploration investment and building the mining industry in order to ensure benefits for all British Columbians.

The Mining and Minerals Division develops and implements policies and programs to attract investment, manage the exploration and development of mineral resources, while ensuring involvement of communities and First Nations, environmental stewardship of the land and the protection of mine workers and the public. The Mining and Minerals Division is responsible for the development and implementation of the B.C. Mining Plan. Operating expenses for this core business area totaled \$13,282,000 in 2005/06 and the Mining and Minerals Division had 111 full time positions.

The Titles Division issues and administers mineral, coal and placer tenures. In January 2005, the Division enhanced service delivery to clients through implementation of Mineral Titles Online, a state-of-the-art, Internet-based mineral tenure acquisition and maintenance system. Mineral clients used this new system to record 4.69 million hectares of new claims in 2005/06.

Electricity and Alternative Energy

The Electricity and Alternative Energy Division develops and implements policies and programs to support all forms of electrical power generation, economy-wide energy efficiency and conservation, and the advancement of leading edge energy technologies. As B.C.'s economy continues to strengthen and diversify, it continues to rely on low-cost, secure electricity. At the same time, British Columbians are committed to environmentally responsible energy development and energy efficiency. Consequently, provincial energy, economic and environmental policies must be consistent and mutually supportive. The Province is dedicated to striking a balance between development of conventional sources of electricity in a responsible manner, and advancing the use of new resources and superior technologies. Operating expenses for this core business area totaled \$1,482,000 in 2005/06 and the Electricity and Alternative Energy Division had 12 full time positions.

The Marketing, Aboriginal and Community Relations Division

The Division leads the Ministry's aboriginal and community stakeholder strategy; investment promotion and marketing; and corporate policy, strategic planning, intergovernmental relations and legislation. The Division is responsible for the Ministry's objective of strengthening its relationships with First Nations and communities in the development of energy and mineral resources throughout the province. The Ministry aims to increase First Nations participation in these resource sectors through consultation and accommodation initiatives. The Division is also responsible for providing administrative support to the Mediation and Arbitration Board. Operating expenses for this core business area totaled \$6,428,000 in 2005/06 and the Marketing, Aboriginal and Community Relations Division had 33 full time positions.

Financial and administrative support services, such as the correspondence unit, payroll, human resources and budgeting, are provided by the Management Services Division as a shared service with the Ministry of Economic Development.

Report on Performance

The Ministry demonstrated success in 2005/06. However some conditions beyond the control of the Ministry prevented us from accomplishing all performance goals. Further explanation of these variances is provided in the report on results section. The following chart summarizes this year's performance.

Performance Plan Summary Table

Synopsis of Ministry Performance Measure Results

Five Great Goals	Ministry Mission			
	The Ministry of Energy, Mines and Petroleum Resources facilitates investment in the responsible development of British Columbia's energy and mineral resources to benefit British Columbians.			
	Ministry Goals	Ministry Objectives	Performance Measures	Results
Lead the world in sustainable environmental management, with the best air and water quality, and the best fisheries management — bar none And Create more jobs per capita than anywhere else in Canada	1. A strong and competitive oil and gas sector in British Columbia.	<ul style="list-style-type: none"> Increase capital investment in B.C.'s oil and gas sector. 	Annual oil and gas industry investment.	△
		<ul style="list-style-type: none"> Increase B.C.'s oil and gas production activity and reserves. 	Reserve replacement.	✓✓
			Wells drilled.	✓✓
			Raw natural gas production.	✓✓
			Crude oil production.	✗
			Provincial revenue.	✓✓
			Community engagement and environmental stewardship.	Wells on multi-well pads.
	2. Enable offshore oil and gas development to occur in B.C. in a scientifically sound and environmentally responsible.	<ul style="list-style-type: none"> Enable offshore oil and gas development to occur in B.C. in a scientifically sound and environmentally responsible manner. 	Implement the Offshore Oil and Gas Project Plan.	△

✓✓ Exceeded target. ✓ Achieved target. △ Target mostly achieved. ✗ Missed target. N/A — Not Applicable.

Five Great Goals	Ministry Mission				
	The Ministry of Energy, Mines and Petroleum Resources facilitates investment in the responsible development of British Columbia's energy and mineral resources to benefit British Columbians.				
	Ministry Goals	Ministry Objectives	Performance Measures	Results	
Lead the world in sustainable environmental management, with the best air and water quality, and the best fisheries management — bar none And Create more jobs per capita than anywhere else in Canada	3. A safe, environmentally responsible and globally competitive exploration and mining sector in British Columbia.	<ul style="list-style-type: none"> Increase exploration investment. 	Mineral exploration expenditure.	✓✓	
			Capital investment.	✓	
		<ul style="list-style-type: none"> Environmental protection at mine sites. 	Compliance with permit and reclamation orders.	✓	
		<ul style="list-style-type: none"> Maintain health and safety standards at sites. 	Accident frequency.	✓	
			Compliance with mine inspection orders.	✓	
		<ul style="list-style-type: none"> Promote the consistent application of two zone land use systems. 	Facilitate regional workshops.	△	
		4. Thriving, competitive, reliable and environmentally responsible electricity and alternative energy sectors.	<ul style="list-style-type: none"> Facilitate investment in electricity and alternative energy. 	Investment in alternative energy.	✓✓
				Investment in hydrogen and fuel cell sector.	✓✓
			<ul style="list-style-type: none"> Environmental improvements through promotion of alternative energy and energy efficiency. 	"Energy Star" rating.	✓✓
				"Energuide" ratings.	✗
	<ul style="list-style-type: none"> Implement and/or oversee the implementation of the Policy Actions in the provincial Energy Plan. 		Implementation of policy actions.	Superseded by decision to prepare a New Plan for 2006	
			Implementation of recommendations of the Alternative Energy and Power Technology Task Force.	✓	
	5. First Nations and communities working with government for the responsible development of B.C.'s energy and mineral resources.	<ul style="list-style-type: none"> Build relationships with First Nations to facilitate participation in the energy and mining sectors. 	First Nations Engagement Strategy.	✓✓	
			Ministry knowledge of First Nations' issues and culture.	✓✓	
			Treaty 8 negotiations.	✗	
	6. MEM as an exemplary organization.	<ul style="list-style-type: none"> Implement effective human resource practices consistent with best practices. 	EPDP implementation.	△	
			Updated HR plan.	✓	

✓✓ Exceeded target. ✓ Achieved target. △ Target mostly achieved. ✗ Missed target. N/A — Not Applicable.

Ministry staff track these results from both internal and external industry and federal sources. Some results are reported by calendar year only.

Goals, Objectives, Strategies and Performance Measures

Ministry Goal 1: A strong and competitive oil and gas sector in British Columbia.

In 2005/06, provincial government revenue generated directly from the production of oil and gas in B.C. is forecast to be \$2.8 billion. Abundant oil and gas deposits throughout the Province will ensure that oil and gas revenue will continue to play an important role in the provincial economy. This significant contribution to provincial revenue helps fund education, healthcare and care for children and seniors as outlined in the Five Great Goals, which is why this Ministry goal was chosen. The core business area of the Ministry responsible for this goal is the Oil and Gas Division.

Objective 1: Increase capital investment in British Columbia's oil and gas sector.

Strategies

1. Promote the development of conventional, unconventional and frontier oil and gas resource opportunities throughout British Columbia.
2. Develop and implement an integrated, results-based oil and gas policy and regulatory framework.
3. Review legislation, regulations and policies across government affecting oil and gas activities and implement best practices and/or harmonization with other jurisdictions.
4. Develop education and training projects in partnership with industry. Support the development of the Oil and Gas Education and Training Consortium to create and sustain a locally-based skilled oil and gas workforce.
5. Enhance the certainty, clarity and predictability of access for oil and gas exploration and development.

All the strategies under Objective 1 are ongoing.

Performance Measure

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Annual dollar amount of oil and gas industry capital investment in British Columbia.	\$4.5 billion	\$4.8 billion	\$4.4 billion	-\$0.4 billion	△
Selection Rationale	This measure was chosen because capital investment has a direct impact on drilling activity, production, reserve replacement and revenues to the Crown.				
Variance Explanation	Increasing competition for material, labour and capital stock have meant that capital investment in B.C. has not been as fast as anticipated. The strategies under Objectives 1 and 2 are mitigative measures applied during the reporting period, and have helped to increase investment.				
Data Sources and Issues	Canadian Association of Petroleum Producers. This remains an estimate, and is provided only by calendar year.				
Changes to the Measure	This measure has been retained (unchanged) in the 2006/07 Ministry Service Plan.				

Objective 2: Increase British Columbia's oil and gas production, activity and reserves.

Strategies:

1. Support the development of high-grade road infrastructure promoting year-round oil and gas activity and new opportunities for oil and gas exploration development and production.
2. Introduce new, targeted royalty programs to stimulate development of oil and gas resource opportunities and evaluate existing programs.
3. Complete four recommendations from the "Service Sector Strategy" which will increase British Columbia's share of service sector opportunities. This strategy released in October 2003 contains 16 key recommendations to improve the competitiveness of the Northeast B.C. service sector.
4. Work with stakeholders to identify elements of the midstream sector (gathering and processing of oil and gas, post production and pre-transmission) where policy improvements can be made to encourage increased development and value-added activity.
5. Undertake targeted oil and gas geoscience to stimulate activity, particularly in the Bowser and Nechako Basins.

Strategies 1, 2, 3 and 5 under Objective 2 are ongoing. Strategy 4 will be covered under the Energy Plan Renewal and will be expanded to consider conservation and environmental sustainability.

Performance Measure

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Reserve replacement ratio.	110%	110%	213%	103%	✓✓
Selection Rationale	This measure was chosen because reserve replacement is a key measure of a thriving and competitive oil and gas industry.				
Variance Explanation	Strong industry interest and investment in B.C. land sales and seismic activities have led to an increase in the amount of reserves being recorded by industry.				
Data Sources and Issues	Canadian Association of Petroleum Producers. These estimates are provided only by calendar year.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Number of wells Drilled.	1,328	1,390	1,457	+67	✓✓
Selection Rationale	This measure was chosen because the number of wells drilled and production are key indicators widely used by industry to communicate activity levels and success.				
Variance Explanation	Abundant resources, increasing demand and competitive policies have contributed to attracting exploration to B.C..				
Data Sources and Issues	Oil and Gas Commission.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Raw Natural Gas Production — Trillions of cubic feet (Tcf).	1.060 Tcf	1.105 Tcf	1.164 Tcf	0.059 Tcf	✓✓
Selection Rationale	This measure was chosen because activity levels are closely linked to employment and business opportunities.				
Variance Explanation	Abundant resources, increasing demand and competitive policies have contributed to attracting exploration to B.C..				
Data Sources and Issues	Oil and Gas Commission.				
Changes to the Measure	This measure has been retained unchanged in the 2006/07 Ministry Service Plan.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Crude Oil Production — millions of barrels (Mbbbls).	14.14 Mbbbls	12.63 Mbbbls	11.0 Mbbbls	-1.62 Mbbbls	✗
Selection Rationale	This measure was chosen because oil is an important energy source, as well as a significant source of revenue for the province.				
Variance Explanation	The decrease is in part due to the maturity of the British Columbia portion of the Western Canadian Sedimentary Basin (where the oil is located), and in part due to industry shifting focus to British Columbia's abundant natural gas resources. The strategies under Objectives 1 and 2 are mitigative measures that have helped during this reporting period.				
Data Sources and Issues	Oil and Gas Commission.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Provincial Revenue.	\$2.032 billion	\$2.000 billion	\$2.8 billion	+\$0.8 billion	✓✓
Selection Rationale	Provincial revenue is a definitive indicator of broader provincial public benefits from oil and gas development.				
Variance Explanation	Abundant resources, increasing demand and competitive policies have contributed to attracting industry to B.C..				
Data Sources and Issues	British Columbia Ministry of Provincial Revenue — Forecasts reflect projected prices of oil and gas at time of publication.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Objective 3: Oil and Gas Environmental Stewardship.

Strategies:

1. Coordinate with the Oil and Gas Commission for reduced well application fees for wells utilizing existing well sites.
2. Coordinate with the Oil and Gas Commission for reduced approval times of well applications for wells utilizing existing well sites.

Strategies 1 and 2 above have been implemented by the Oil and Gas Commission.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Wells on multi-well pads.	136	147	150 (estimated)	3	✓
Selection Rationale	The use of multi-well pads reduces the surface land disturbance required per well. Their increasing use is a reflection of a commitment to responsible development and efforts to reduce the “foot print” of oil and gas development.				
Variance Explanation	The Oil and Gas Commission is in the process of designing a system for tracking all well activity in the province. Upon implementation, this information will be more accurately recorded.				
Data Sources and Issues	Measure developed by the Oil and Gas Division in consultation with the Oil and Gas Commission.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. ¹ See Appendix 3.				

¹ A new performance measure was added to our 2006/07 Annual Service Plan: Per cent reduction in emissions from flaring associated with gas production.

Ministry Goal 2: Enable offshore oil and gas development to occur in British Columbia in a scientifically sound and environmentally responsible manner.

The Province believes that the potential opportunities provided by offshore oil and gas development are of significant public value, which is why this goal was chosen. The Province is taking a principled approach to researching management and regulatory regimes in other jurisdictions in order to identify best practices for west coast offshore development. Moving forward, the team will continue to work with communities, First Nations, the Federal Government and key stakeholders. The Ministry’s focus is to complete various components of the Offshore Oil and Gas Project Plan. The core elements of this plan are to consult with First Nations and all coastal communities, develop a comprehensive regulatory regime and further the state of knowledge pertaining to offshore energy development. Anticipated revenues from offshore oil and gas activities will be significant. Such revenues would provide resources for education, healthcare and care for children and seniors as outlined in the Great Goals. The core business area responsible for this goal is the Offshore Oil and Gas Division.

Strategies:

1. Continue to work with First Nations, coastal communities and key stakeholders to identify their concerns, provide information and establish mutually agreeable solutions.

2. Develop options for the provincial position on a comprehensive management and regulatory regime, encompassing the initial granting of exploration rights through decommissioning of facilities and site cleanup.
3. Work together with the federal government to advance the state of scientific knowledge about the B.C. offshore, and to make that knowledge more accessible to the public.

During the reporting period, progress was made on each Strategy. All three are still underway.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Implement the Offshore Oil and Gas Project Plan.	Complete Offshore Project Plan objectives for 2004/05.	Complete Offshore Project Plan objectives for 2005/06.	Progress has been made on each objective, but none have been finally achieved.	See below	△
Selection Rationale	Targets reflect reasonable goals leading to informed decisions regarding offshore oil and gas in British Columbia.				
Variance Explanation	Targets were based on the assumption that the federal government would lift the moratorium, which has not yet happened. Progress was made in establishing relationships with First Nations and local governments (e.g., Nisga'a Protocol, UBCM MOU) initial framework for regulatory regime was developed. Science activities were conducted through MEMPR/UVic partnership. Division continues to work on all three strategies.				
Data Sources and Issues	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Ministry Goal 3: A safe, environmentally responsible and globally competitive exploration and mining sector in British Columbia.

Mining revenues and jobs are increasing as commodity prices, government policies and investor confidence are attracting the mining industry to develop these rich resources. Increased job creation contributes to Great Goal Five, and an environmentally responsible mining sector contributes to Great Goal Four. The Province is committed to attracting exploration investment and building the mining industry in order to ensure benefits for all British Columbians, which is why this goal was chosen. The core business area responsible for this goal is the Mining and Minerals Division.

Objective 1: Compete globally for new investments to generate jobs and revenue in our communities.

Strategies:

1. Work with industry, communities, First Nations and environmental groups to develop a sustainable mining model for B.C.
2. Streamline regulations and approvals for exploration and mining.
3. Conduct new geoscience surveys to attract investment to B.C.
4. Maintain and enhance the new electronic, Internet-based system for mineral claim acquisition and maintenance.

All the strategies for Objective 1 are ongoing.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Annual dollar amount of mineral exploration expenditure.	\$130 million	\$150 million	\$220 million	+\$70 million	✓✓
Selection Rationale	Target identifies the anticipated increases in investment resulting from world market trends and Ministry policies and programs aimed at stimulating exploration in B.C.				
Variance Explanation	Increasing commodity prices and Ministry policies and programs to stimulate exploration in B.C. have combined to increase exploration.				
Data Sources and Issues	Based on annual surveys conducted by the Ministry in collaboration with Natural Resources Canada and Statistics Canada (calendar year).				
Changes to the Measure	This measure has been retained (unchanged) in the 2006/07 Ministry Service Plan.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Capital investment in new or existing mines.	\$100 million	\$250 million	\$250 million	nil	✓
Selection Rationale	Target identifies the anticipated increases in investment resulting from world market trends and Ministry policies and programs aimed at stimulating mining in B.C.				
Variance Explanation	On target.				
Data Sources and Issues	Capital spending for the mineral sector is estimated by Ministry staff using data from annual surveys by Price Waterhouse Coopers and Natural Resources Canada, adjusted to reflect non-surveyed activities and post-survey developments.				
Changes to the Measure	This measure has been retained (unchanged) in the 2006/07 Ministry Service Plan.				

Objective 2: Ensure strong environmental standards.

Strategies:

1. Improve provincial environmental and reclamation guidelines.
2. Participate in National Orphaned and Abandoned Mine Sites Initiative to inventory and assess sites for potential environmental problems.
3. Participate in the National Mine Environment Neutral Drainage Committee to develop and apply new technologies to predict acid rock drainage.
4. Collaborate with other governments, industry and environmental groups to address environmental challenges to exploration and mining.

All the strategies under Objective 2 are ongoing.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Compliance with permit and reclamation orders regarding environmental conditions.	95% compliance	95% compliance	95%	Nil	✓
Selection Rationale	This target will ensure B.C. exploration and mining operations support environmental stewardship of the land.				
Variance Explanation	On target.				
Data Sources and Issues	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Objective 3: Consistently achieve high health and safety standards at mines and exploration sites.

Strategies:

1. Improve health and safety standards and practices.
2. Monitor mining operations with sufficient frequency to ensure compliance with respect to worker safety.
3. Organize mine rescue competitions to promote safety and excellence.

All the strategies under Objective 3 are ongoing.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Lost time accident frequency.	2.5 or less	2.5 or less	1.5	+1	✓
Selection Rationale	Refers to time lost due to injury at mines. It is expected that with several new mines in operation and new employees at those mines, the numbers of lost days will be maintained at the benchmark of 2.5 as long as proper training and tools are available for these new workers.				
Variance Explanation	Newly developed mine site inspection and audit program, in addition to collaboration with industry and labour, has led to improved compliance with safety requirements and protection of workers at major mine sites.				
Data Sources and Issues	Industry Report: "Comparative Statistics for mines in B.C.," WorkSafe BC data and Ministry staff statistics.				
Changes to the Measure	This measure has been retained (unchanged) in the 2006/07 Ministry Service Plan.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Compliance with health and safety orders resulting from mine inspections.	95% compliance	95% compliance	95%	Nil	✓
Selection Rationale	Targets will ensure the mining industry remains one of the safest heavy industries in the province.				
Variance Explanation	On target.				
Data Sources and Issues	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Objective 4: Promote the consistent application of the two-zone land use system for exploration and mining in British Columbia.

Strategies:

1. Ensure that the implementation of land use plans includes a clear definition of areas open to mineral exploration and mining.
2. Work with the Ministry of Sustainable Resource Management to simplify access to land use data in order to facilitate mineral exploration activity.
3. Develop and implement guidelines for mineral exploration and development to facilitate integrated land use.

All the strategies under Objective 4 are ongoing.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Facilitate regional workshops designed to find solutions that will enable integrated land use.	5	6	6	See below	△
Selection Rationale	The Two Zone System for Mineral Exploration and Mining provides clarity and certainty for increasing mineral investment in B.C. This system specifies which lands are open, and which lands are off-limits, to mineral exploration and mining activities. As such, it ensures the integration of mining-related activity with other important land uses.				
Variance Explanation	One integrated land use meeting focused specifically on the issue of land use planning. The other five meetings were focused on First Nations consultation engagement and education around land use planning.				
Data Sources and Issue	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Ministry Goal 4: Thriving, competitive, reliable and environmentally responsible electricity and alternative energy sectors.

Energy, economic and environmental policies are intertwined. As B.C.'s economy strengthens and diversifies, it continues to rely on low-cost electricity. At the same time, British Columbians are committed to environmentally responsible energy development and energy efficiency, which is why this goal was selected. The government is dedicated to striking a balance between the development of conventional sources of electricity in a responsible manner, and developing policies that will lead to the use of new and alternative sources. This Ministry goal contributes to sustainable environmental management (Great Goal Four) and to job creation (Great Goal Five). The core business area responsible for this goal is the Electricity and Alternative Energy Division.

Objective 1: Facilitate investment in electricity and alternative energy resource development in British Columbia.

Strategies:

1. Develop and promote policies to increase investment in electricity and alternative energy.
2. Pursue financial and cooperative partnerships with other jurisdictions.
3. Advocate energy investment opportunities in B.C.
4. Implement results-based regulations.
5. Pursue strategic alliances with the federal government to further develop the hydrogen and fuel cells industry.

Implementation of all the Strategies listed above continues through and beyond the reporting period.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Increased investment in B.C.'s alternative energy production.	Achieve a 10% increase (112 GWh) over B.C.'s alternative energy baseline (1115 GWh).	Achieve an additional 10% increase (123 GWh).	158.7 GWh	35.7 GWh	✓✓
Selection Rationale	Energy qualifying as "B.C. Clean Electricity" is a proxy for the amount of investment in alternative energy, which is why this measure was selected. The baseline established for the Province's 2002/03–2004/05 Strategic Plan was 1115 GWh.				
Variance Explanation	In 2005/06, three new independent power projects and one self-generation load displacement project totalling 548.7 GWh per year began commercial operation: Upper Mamquam run-of-river hydro project (108 GWh), South Sutton Creek run-of-river hydro project (26 GWh), China Creek small hydro project (24.7 GWh) and the Canfor Prince George Pulp Mill wood residue Powersmart project (390 GWh). Load displacement projects do not qualify as B.C. Clean.				
Data Sources and Issues	BC Hydro.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. ¹ See Appendix 3.				

¹ A new measure was added to our 2006/07 Annual Service Plan: Percentage of new electricity generation from "BC Clean" and clean self generation sources.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Increased investment in B.C.'s hydrogen and fuel cell sector.	Contribute \$2 million to fuel cell development, and two additional hydrogen/fuel cell demonstration nodes.	Leverage an additional expenditure of \$2 million, and one additional hydrogen/fuel cell demonstration node.	\$80 million in demonstration projects and 2 new demonstration nodes.	+\$78 million and one node.	✓✓
Selection Rationale	The Province has committed \$2 million to Fuel Cells Canada for early implementation of hydrogen and fuel cell technology. Success will be measured by the incremental investment leveraged from other sources.				
Variance Explanation	<p>Hydrogen and fuel cell investment for 2005/06:</p> <ul style="list-style-type: none"> — More than \$80 M in demonstration projects in B.C. (including federal funding of \$34.6 M); — More than \$50 M in equity investments in the sector; — More than \$100 M in R&D in 2005/06; and — Commitment of up to \$59 M over 4 years in development funding to Ballard by DaimlerChrysler and Ford. <p>Hydrogen Highway demonstration projects announced in FY:</p> <p>1) Pacific Spirit Station Project cost — \$2 M (est.) (Spring/05) Federal funding — \$1 M</p> <p>2) Integrated Waste Hydrogen Utilization Project Project cost — \$18.3 M Federal funding — \$12.2 M</p>				
Data Sources and Issues	Fuel Cells Canada.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Objective 2: Encourage environmental improvements through the promotion of alternative energy and energy efficiency.

Strategies:

1. Develop and implement strategies and targets to improve energy efficiency in new and existing buildings.
2. Implement initiatives that will work towards lowering greenhouse gas emissions.

3. Pursue strategic alliances with governments, utilities and industry associations to advance energy efficiency objectives.
4. Raise public awareness of the benefits of alternative energy.

Implementation of all the strategies listed above continues through and beyond the reporting period.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
The % of furnaces installed in new or existing B.C. residences that are “Energy Star” rated (AFUE of 90% or higher). 2003 baseline was 26%.	30%	35%	38%	+3%	✓✓
Selection Rationale	The “Energy Star” furnace rating is a measurable component of the Strategic Plan for Energy Efficiency in Buildings, aimed at improving energy performance of equipment.				
Variance Explanation	Increased market share resulting from provincial sales tax exemption.				
Data Sources and Issues	Heating, Refrigeration and Air Conditioning Institute.				
Changes to the Measure	This measure has been retained (unchanged) in the 2006/07 Ministry Service Plan.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Average Energuide Rating for audited B.C. single-family houses that are either newly constructed or renovated. 2003 baseline was 72.	72	73	71	-2	✗
Selection Rationale	The “Energuide for Houses” rating is a measurable component for residential buildings of the strategy, <i>Energy Efficient Buildings: A Plan for BC</i> , aimed at improving energy performance of new and existing buildings.				
Variance Explanation	The implementation of the building strategy commenced in the fall of 2005 and thus had minimal impact that year.				
Data Sources and Issues	Natural Resources Canada (NRCan) — Office of Energy Efficiency.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3. NRCan announced that the Energuide for Houses Program has been discontinued, effective May 12, 2006.				

Objective 3: Implement and/or oversee the implementation of the policy actions in the provincial Energy Plan.

Strategies:

1. Address barriers facing Independent Power Producers.
2. Advise and assist the BC Transmission Corporation and BC Hydro on electricity policy and initiatives.
3. Improve access to regional markets for BC Hydro and Independent Power Producers.
4. Review options to update and expand the *Energy Efficiency Act* and regulations.
5. Manage Columbia River Treaty and Downstream Benefit Entitlement matters.

Implementation of all the strategies listed above continues through and beyond the reporting period.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Implementation of the policy actions in the provincial Energy Plan and improvements to the Plan.	Complete implementation of the Policy Actions, and complete and distribute a 'Report Card' on Plan implementation.	Complete and distribute a 'Report Card' on Energy Plan implementation, including recommendations for improvements to the Plan.	All actions in the Energy Plan are completed or underway. No Report Card was prepared as work on a new Plan began.	Proposed amendments to the Energy Efficiency Standards Regulation are undergoing final review.	Completion of another report card was superseded by the decision to prepare a new Energy Plan for 2006.
Selection Rationale	To ensure the Energy Plan remains relevant and up-to-date, a "Report Card" on its implementation will be prepared, followed by a survey of users and stakeholders on future priorities and options for the Plan.				
Variance Explanation	A Report Card on plan implementation was prepared in November 2004, and it was anticipated updates would be prepared annually until a decision was made to update the Plan or prepare a new one. The decision to prepare a new Energy Plan was made in the fall of 2005, one to two years sooner than expected, rendering another Report Card unnecessary.				
Data Sources and Issues	Ministry staff and clients/stakeholders.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Oversee completion and implement recommendations of the Alternative Energy and Power Technology Task Force.	Develop and seek approval for an Alternative Energy Strategy.	Oversee completion of the Task Force mandate. Seek government approval to implement Task Force recommendations.	Task Force has completed its mandate and submitted a final report to Government	Implementation of approved Task Force recommendations will be coordinated with the 2006 Energy Plan.	✓
Selection Rationale	Initiative announced by the Premier.				
Variance Explanation	Target met.				
Data Sources and Issues	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Ministry Goal 5: First Nations and communities working with Government for the responsible development of British Columbia's energy and mineral resources to benefit all British Columbians.

The Ministry is committed to strengthening its relationships with First Nations and communities in the development of energy and mineral resources throughout the Province. The Ministry aims to increase First Nations participation in these resource sectors through consultation and accommodation initiatives. Communities and First Nations can benefit significantly from participation in the energy, mineral and petroleum resource sectors, which is why this measure was chosen. The sectors contribution to job creation and environmental stewardship in cooperation with communities and First Nations support Great Goals Four and Five. The core business area responsible for this goal is the Marketing, Aboriginal and Community Relations Division.

Objective 1: Build relationships with First Nations and communities to facilitate participation in, and increase knowledge of, the energy and mining sectors.

Strategies:

1. Support ongoing treaty negotiations and lead Ministry initiatives with Treaty 8.
2. Lead the process of consultation and accommodation with First Nations regarding energy and mineral development.
3. Develop and maintain a productive working relationship with First Nations, industry and Ministry staff.
4. Develop a Community and Stakeholder Engagement Plan.
5. Increase internal Ministry awareness of First Nation and community issues.
6. Develop and implement a First Nations “tool kit” for Ministry staff.
7. Work with the Oil and Gas Commission on First Nations’ issues as they pertain to oil and gas development.

All of the foregoing strategies to address Objective 1 were implemented in the reporting period and are ongoing.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Implement First Nations engagement strategy.	Consultation and accommodation guidelines approved.	Engage nine First Nations in accommodation agreement negotiations.	18	+9	✓✓
Selection Rationale	The First Nation engagement strategy provides a process for the Ministry to address the legal requirements to consult and accommodate, and aims to increase First Nations participation in the energy and mineral sectors.				
Variance Explanation	This number includes both new and renegotiated agreements.				
Data Sources and Issues	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. ¹ See Appendix 3.				

¹ A new measure was added to the Ministry 2006/07 Service Plan: Number of First Nations with new or renegotiated working arrangements on energy, mineral and petroleum resource development.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Staff trained and orientated to First Nations culture and issues.	Develop a cultural awareness training program for Ministry staff.	25% of appropriate staff completed training program.	70%	+180%	✓✓
Selection Rationale	Increased knowledge and understanding of First Nations' culture and issues improves the Ministry's ability to meet its legal requirements to consult and accommodate First Nations interests where appropriate.				
Variance Explanation	The increase is attributable to purposeful implementation of the First Nation engagement strategy. This included providing Ministry staff with cultural awareness tools and training to engage First Nations effectively.				
Data Sources and Issues	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Treaty 8 Negotiations.	Commence revenue sharing and set-aside issues negotiations.	Revenue Sharing negotiations complete + 50% of set-aside negotiations complete.	14% Revenue Sharing and set-aside negotiations complete.	-86% (Revenue Sharing) and -72% (set-aside)	✗
Selection Rationale	Improving relationships and resolving issues with Treaty 8 First Nations will improve the investment climate for oil and gas and increase opportunities for First Nation participation in the industry.				
Variance Explanation	Revenue sharing and set-aside negotiations are ongoing and targeted for completion by March 2007. Progress will be measured against a work plan designed to expedite negotiations by September 30, 2006. Parties have prioritized amending oil and gas Memoranda of Understanding by summer 2006 and completing a long term oil and gas agreement by the end of fiscal 2006/07. Two offers have been made to Treaty 8 on revenue-sharing. Of the set-aside negotiations, discussions over parks management are close to completion. Blueberry River First Nations withdrew from Treaty 8 negotiations and signed their Oil and Gas Amending Agreement and their Economic Benefits Agreement in 2006/07.				
Data Sources and Issues	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Ministry Goal 6: An exemplary organization and a ministry of choice as an employer in the British Columbia Public Service.

This goal commits the Ministry to have the best human resources practices for its employees and government. This is important for staff satisfaction and retention, and supports the government's aim of providing more citizen centred service delivery. The core business area responsible for this goal is the Management Services Division.

Objective 1: Implement effective human resource practices consistent with best practices.

Strategies:

1. Involve Ministry staff in the development and implementation of the Ministry Human Resource Plan.
2. Encourage participation of managers in the Leadership Centre programs.
3. Implement core government business training.
4. Develop and implement recommendations on rewards and recognition.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Number of employees with an annual employee performance and development plan (EPDP).	100% of excluded employees.	100% (of all employees)	90%	10%	△
Selection Rationale	Target promotes effective human resource practices and participation in the implementation of the Ministry HR plan.				
Variance Explanation	Staff promotions and retirements in our dynamic work force have prevented completion of EPDP's in some sections of the Ministry. Ministry business plans will be completed in 2006/07 which will facilitate staff EPDP completion.				
Data Sources and Issues	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Ministry HR plan in place and consistent with best practices.	2004/5 HR plan.	Update HR Plan in consultation with Ministry staff.	Plan developed and presented to the Workforce Planning Board December 2005.	N/A	✓
Selection Rationale	Target promotes effective human resource practices and participation in the implementation of the Ministry HR plan.				
Variance Explanation	N/A.				
Data Sources and Issues	Ministry HR staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3.				

Deregulation

Objective 1: Continue to work towards results-based regulations.

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Review current legislation administered by MEMPR.	Identify legislation for review.	Review the <i>Petroleum and Natural Gas Act</i> ; <i>Energy Efficiency Act</i> ; <i>Pipeline Act</i> ; <i>Oil and Gas Commission Act</i> .	The <i>Energy Efficiency Act</i> was reviewed. All other targeted pieces of legislation are part of the ongoing Oil and Gas Regulatory Improvement Initiative.	See variance explanation below.	✓
Selection Rationale	Reviewing legislation identifies those sections which need to be amended in order to reduce the regulatory burden or streamline regulatory requirements.				
Variance Explanation	The Oil and Gas Regulatory Improvement Initiative (OGRII) is a comprehensive, multi-year review of the legislation that governs the oil and gas industry. Amendments to the Energy Efficiency Standards Regulation under the <i>Energy Efficiency Act</i> are targeted for June 2006.				
Data Sources and Issues	Ministry staff.				
Changes to the Measure	This measure has been dropped in the 2006/07 Ministry Service Plan. See Appendix 3. The Ministry supports the Government's regulatory reform initiative and maintains a net zero per cent increase in regulations.				

Performance Measure	2004/5 Benchmark	2005/06 Target	2005/06 Actual	Variance	Target Met?
Maintain current baseline regulatory count.	Maintain count of 12,328.	Zero per cent increase.	Zero per cent increase.	Nil	✓
Selection Rationale	This measure is indicative of the actual number of requirements imposed upon citizens by regulation.				
Variance Explanation	None – target met.				
Data Sources and Issues	Regulatory Reform Office database.				
Changes to the Measure	Although this measure has been dropped from the Ministry 2006/07 Service Plan, the Ministry continues to support regulatory reform.				

Report on Resources

This Resource Summary outlines the estimated and actual expenditures and Full Time Equivalent Staff (FTE) for each of the Ministry's core business areas. The summary does not include the resources of the Crown Agencies, Boards or Commissions that report to the Minister of Energy, Mines and Petroleum Resources.

Resource Summary 2005/06

	Estimated ¹	Other Authorizations ²	Total Estimated	Actuals	Variance
Operating Expenses (\$000)					
Oil and Gas	11,937	8,000	19,937	18,374	1,563
Offshore Oil and Gas	4,252	0	4,252	2,845	1,407
Mining and Minerals	13,282	0	13,282	15,115	(1,833)
Electricity and Alternative Energy	1,482	0	1,482	2,593	(1,111)
Marketing, Aboriginal and Community Relations	6,428	0	6,428	5,343	1,085
Executive and Support Services	3,543	0	3,543	4,018	(475)
Contracts and Funding Arrangements	31,560	23,720	55,280	50,664	4,616
Total	72,484	31,720	104,204	98,952	5,252
Full-time Equivalents (FTEs)					
Oil and Gas	79	0	79	58	21
Offshore Oil and Gas	12	0	12	11	1
Mining and Minerals	111	0	111	113	(2)
Electricity and Alternative Energy	12	0	12	12	0
Marketing, Aboriginal and Community Relations	33	0	33	29	4
Executive and Support Services	22	0	22	19	3
Total	269	0	269	242	27

¹ These amounts have been restated, for comparative purposes only, to be consistent with the presentation of the 2006/07 *Estimates*. Schedule A of the *Estimates*, presents a detailed reconciliation.

² "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies.

	Estimated ¹	Other Authorizations ²	Total Estimated	Actuals	Variance
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Oil and Gas	275	0	275	63	212
Offshore Oil and Gas	0	0	0	0	0
Mining and Minerals	865	0	865	621	244
Electricity and Alternative Energy	6	0	6	0	6
Marketing, Aboriginal and Community Relations	0	0	0	0	0
Executive and Support Services	310	0	310	128	182
Total	1,456	0	1,456	812	644
Capital Plan (\$000)					
By Core Business (and Purpose)	0	0	0	0	0
Total	0	0	0	0	0
Other Financing Transactions (\$000)					
<i>Oil and Gas Commission Act</i>					
Receipts	26,220	0	26,220	29,327	(3,107)
Disbursements	(26,220)	0	(26,220)	(29,327)	3,107
Net Cash Source (Requirement)	0	0	0	0	0

¹ These amounts have been restated, for comparative purposes only, to be consistent with the presentation of the 2006/07 *Estimates*. Schedule A of the *Estimates*, presents a detailed reconciliation.

² "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies.

Annual Report Appendices

Appendix 1: List of Crowns, Agencies, Boards and Commissions reporting to the Minister of Energy, Mines and Petroleum Resources

1. Assayers Certification Board of Examiners
2. British Columbia Hydro and Power Authority
3. British Columbia Transmission Corporation
4. Columbia Power Corporation
5. Columbia Basin Trust
6. Mediation and Arbitration Board
7. Oil and Gas Commission
8. Oil and Gas Commission Advisory Committee

Appendix 2: List of Legislation Administered by the Ministry

1. *BC Hydro Public Power Legacy and Heritage Contract Act*
2. *Coal Act*
3. *Coalbed Gas Act*
4. *Energy Efficiency Act*
5. *Fort Nelson Indian Reserve Minerals Revenue Sharing Act*
6. *Gas Utility Act*
7. *Geothermal Resources Act*
8. *Hydro and Power Authority Act*
9. *Hydro Power Measures Act*
10. *Indian Reserve Mineral Resource Act*
11. *Mineral Land Tax Act*
12. *Mineral Tax Act*
13. *Mineral Tenure Act*
14. *Mines Act*
15. *Mining Right of Way Act*
16. *Ministry of Energy and Mines Act*
17. *Natural Gas Price Act*
18. *Oil and Gas Commission Act*
19. *Petroleum and Natural Gas Act*

20. *Petroleum and Natural Gas (Vancouver Island Railway Lands) Act*
21. *Pipeline Act*
22. *Power for Jobs Development Act*
23. *Transmission Corporation Act*
24. *Vancouver Island Natural Gas Pipeline Act*
25. *West Kootenay Power And Light Company, Limited, 1897 Act (Private)*

Appendix 3: Table of Changes — 2005/06 Update Compared to 2006/07

The 2006/07 Service Plan was substantially reworked from the September 2005/06 Update. The 2006/07 plan is now more focused, strategic and reflective of the Ministry’s mandate. In order to reflect this change in emphasis, the Ministry refocused its vision mission and values during the 2006/07 planning cycle. It departed from selecting goals by core business area and included corporate goals for which all areas of the Ministry are accountable. New performance measures were developed to show how these goals will be supported.

The following table shows the differences between the vision, mission and values from the 2005/06 Service Plan Update and the 2006/07 Service Plan:

- *The left side reflects the 05/06–07/08 Service Plan Update (September 2005) vision, mission and values.*
- *The right side reflects the 06/07–08/09 Service Plan (February 2006) vision, mission and values.*

2005/06 Service Plan Update	2006/07 Service Plan
<p>Vision</p> <p>Thriving, competitive, safe and environmentally responsible energy and mining sectors significantly benefiting all British Columbians.</p>	<p>Vision</p> <p>Thriving, safe, environmentally responsible and competitive energy, mining and petroleum resource sectors, which contribute to the economic growth and development of communities in British Columbia.</p>
<p>Mission</p> <p>The Ministry of Energy, Mines and Petroleum Resources facilitates investment in the responsible development of British Columbia’s energy and mineral resources to benefit British Columbians.</p>	<p>Mission</p> <p>To facilitate the promotion and maintenance of a positive climate for the responsible development of British Columbia’s energy, mineral and petroleum resources for the benefit of British Columbians.</p>

2005/06 Service Plan Update	2006/07 Service Plan
<p style="text-align: center;">2005/06 Values</p> <p>Advocacy The Ministry works with the energy and mining sectors, advocating their interests to broader stakeholder groups in a way that ensures the responsible and sustainable development of energy and mineral resources.</p> <p>Integrity The Ministry is committed to respectful, honest and ethical behavior in all its communications and actions.</p> <p>Responsiveness The Ministry is service-oriented and responds to the needs of its stakeholders and the public in a timely and effective manner.</p> <p>Accountability The Ministry is accountable to government and the public for the results identified in its Service Plan. The Ministry is effective and efficient in delivering timely services and implementing sound financial management.</p> <p>Professionalism The Ministry is committed to maintaining the highest levels of both technical competency and public service values, and encouraging innovation and creativity.</p> <p>Partnership Building The Ministry promotes teamwork, good working relationships and effective partnerships with others.</p>	<p style="text-align: center;">2006/07 Values</p> <p>(Deleted)</p> <p>Integrity The Ministry is committed to respectful, honest and ethical behaviour in all its communications and actions.</p> <p>Responsiveness The Ministry is service-oriented and responds to the needs of our clients, stakeholders and the general public in a timely and effective manner.</p> <p>Accountability The Ministry provides leadership and sets high expectations. All levels of the Ministry measure and report on their performance.</p> <p>Professionalism The Ministry is committed to maintaining the highest levels of both technical competency and public service, while encouraging innovation and creativity.</p> <p>Partnership Building The Ministry is committed to promoting teamwork, advancing positive working relationships and effective partnerships with all of its clients.</p>

The table below shows the changes between the Ministry's goals and objectives in the 2005/06 Service Plan Update and those in the 2006/07 Service Plan:

- The left side reflects the 05/06–07/08 Service Plan Update (September 2005) goals and objectives.
- The right side reflects the 06/07–08/09 Service Plan (February 2006) goals and objectives.

Goals and Objectives 05/06 September Service Plan Update		Goals and Objectives 06/07 February Service Plan	
Goal	Objective	Goal	Objective
1. A strong and competitive oil and gas sector in B.C.	1.1 Increase capital investment in B.C.'s oil and gas sector.	1. Thriving and competitive energy, mineral and petroleum resource sectors.	1.1 Increased long term investment, revenue generation and job creation in energy, mineral and petroleum resource development for the benefit of all British Columbians.
	2.2 Increase B.C.'s oil and gas production activity and reserves.		1.2 Efficient and effective fiscal, legislative and regulatory frameworks and services that reflect the public interest.
	2.3 Community engagement and environmental stewardship.		1.3 Greater community awareness of the benefits of energy, mineral and petroleum resource opportunities.
2. Enable offshore oil and gas development to occur in B.C. in a scientifically sound and environmentally responsible manner.	2.1 Enable offshore oil and gas development to occur in B.C. in a scientifically sound and environmentally responsible manner.	2. Safe and environmentally responsible energy, mineral and petroleum resource development and use.	2.1 Operational practices at development sites that protect the public, workers' safety and the environment.
			2.2 Increased development and use of alternative energy technology, and energy efficiency and conservation measures.

Goals and Objectives 05/06 September Service Plan Update		Goals and Objectives 06/07 February Service Plan	
Goal	Objective	Goal	Objective
3. A safe, environmentally responsible and globally competitive exploration and mining sector in B.C.	3.1 Increase exploration investment.	3. The Ministry, First Nations, communities and industry working cooperatively for the responsible development and use of B.C.'s energy, mineral and petroleum resources.	3.1 Increased and timely engagement of communities, First Nations and stakeholders in resource development opportunities.
	3.2 Environmental protection at mine sites.		3.2 Increased opportunity for First Nations to share in the benefits of responsible resource development and use.
	3.3 Maintain health and safety standards at sites.		3.3 Enhanced public awareness of resource opportunities and the benefits of their responsible development and use.
	3.4 Promote the consistent application of two zone land use systems.		
4. Thriving, competitive, reliable and environmentally responsible electricity and alternative energy sectors.	4.1 Facilitate investment in electricity and alternative energy		
	4.2 Environmental improvements through promotion of alternative energy and energy efficiency		
	4.3 Implement and/or oversee the implementation of the Policy Actions in the provincial Energy Plan.		
5. First Nations and communities working with government for the responsible development of B.C.'s energy and mineral resources.	5.1 Build relationships with First Nations to facilitate participation in the energy and mining sectors.		

Goals and Objectives 05/06 September Service Plan Update		Goals and Objectives 06/07 February Service Plan	
Goal	Objective	Goal	Objective
6. MEM as an exemplary organization.	6.1 Implement effective human resource practices consistent with best practices.		