
OPINION-EDITORIAL

COALBED GAS EXPLORATION IN TELKWA

By Richard Neufeld

Minister of Energy, Mines and Petroleum Resources

May 3, 2006

In this paper community members from Smithers, Telkwa and outlying areas will see newspaper ads and community notices about an open house on the exploration and possible development of coalbed gas in the Telkwa coalfield. Many residents will likely have questions about coalbed gas (CBG), the pre-tenure process we are currently in, and where we go from here. These are important questions that merit clear answers and I would like to extend an invitation to community members to participate in the upcoming public meetings.

Coalbed gas is an important part of British Columbia's energy mix that includes other conventional natural, oil, hydro-electricity and alternative energy sources such as geothermal and biomass. Coalbed gas, also known as coalbed methane, is a source of natural gas found in coal seams that is just now being developed in British Columbia.

In order to explore for CBG, a company needs to apply to the Ministry of Energy, Mines and Petroleum Resources (MEMPR) for Petroleum and Natural Gas (P&NG) tenure. P&NG tenure is time-limited ownership of a specific parcel of subsurface petroleum and natural gas rights. It grants the right to explore, develop and produce petroleum and natural gas resources in accordance with statutory requirements, but does not allow actual activities on the ground itself. After securing tenure, the company must get approval from the Oil and Gas Commission (OGC) for any ground activities such as drilling, acquiring seismic surveys, or roads. This process will involve working collaboratively with local First Nations and securing landowner permission if the operation requires access on private.

Right now, coalbed gas projects in the Telkwa area are in the pre-tenure phase. At this stage both the provincial government and the company work individually with local governments, agencies, First Nations and community members to ensure that everyone is informed of the process and are aware of the proponent's plans. This is done through one-on-one meetings, open houses, teleconferences and whatever other means needed to inform community members.

MEMPR has begun this process, and invites community members to drop in to the upcoming open houses. MEMPR staff has been talking to local leaders from the business community, First Nations, local governments, and other agencies. The company has also been working in the community talking to residents about CBG and their application for tenure rights. The interested company will be applying for tenure rights in the Telkwa area in the coming weeks.

Community and First Nation engagement is an essential part of the resource development process. Community engagement helps provide community members information on the process and the product. While CBG has been developed for years in the United States and, more recently, Alberta, it is a new opportunity for B.C. We are committed to ensuring that answers about this resource are provided. Community meetings and open houses are an opportunity for the local community, First Nations and stakeholders to learn about CBG and the tenure process.

In addition, community engagement provides an opportunity for people living in the area to provide input to government about their concerns. I'd like to take the opportunity to assure you that what you have to say is important. Your input is gathered, compiled and considered when MEMPR prepares to sell the tenure, or when the OGC is establishing conditions that should be placed on exploration permits. I also want to ensure that people understand this is not a one-time opportunity. There are opportunities for local values to be incorporated into the decision-making process at each stage of the project – from pre-tenure through to exploration, development and reclamation.

I encourage you to attend one of the open houses - May 15 at the Telkwa Community Hall, or May 16 at the Dze L'Kant Friendship Centre in Smithers. Become informed, ask about our community and First Nation engagement as well as our tenure referral process, and have one-on-one conversations with government, the regulator and the company interested in exploring for CBG in the Telkwa coalfield.

For more information, you can visit our coalbed gas website at:
<http://www.em.gov.bc.ca/subwebs/coalbedgas/>

Thank you for your contributions to this very important process. Your time and considerations are greatly appreciated.

If you have further inquiries, please don't hesitate to contact a member of the Community Relations Branch for further information, or email CBGinfo@gov.bc.ca.