



MINISTRY OF ENERGY AND MINES

The mission of the Ministry of Energy and Mines is to facilitate investment in the responsible development of British Columbia's energy and mineral resources to benefit British Columbians.

MINISTRY SUMMARY

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	Estimates 2004/05 ¹	Estimates 2005/06
VOTED APPROPRIATIONS		
Vote 20 — Ministry Operations.....	34,325	43,215
Vote 21 — Contracts and Funding Arrangements.....	28,560	33,560
OPERATING EXPENSE	<u>62,885</u>	<u>76,775</u>
PREPAID CAPITAL ADVANCES ²	—	—
CAPITAL EXPENDITURES ³	1,807	1,450
LOANS, INVESTMENTS AND OTHER REQUIREMENTS ⁴	50,000	50,000
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES ⁵	—	—
FULLTIME EQUIVALENT (FTE) EMPLOYMENT ⁶	242	268

NOTES

¹ For comparative purposes only, figures shown for 2004/05 expense, FTEs and capital expenditures have been restated to be consistent with the presentation of the 2005/06 Estimates. Schedule A presents a detailed reconciliation.

² Details of prepaid capital advances are presented in Schedule C.

³ Details of capital expenditures are presented in Schedule D.

⁴ Details of loans, investments and other requirements are presented in Schedule E.

⁵ Details of revenue collected for, and transferred to, other entities are presented in Schedule F.

⁶ Details of FTEs are presented in Schedule G.

MINISTRY OF ENERGY AND MINES

CORE BUSINESS SUMMARY

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	2004/05	2005/06 ESTIMATES		
OPERATING EXPENSE	Net	Gross	External Recoveries	Net
Core Business				
Oil and Gas.....	15,170	11,937	—	11,937
Offshore Oil and Gas.....	5,800	5,752	—	5,752
Mining and Minerals.....	7,868	13,282	—	13,282
Electricity and Alternative Energy.....	1,134	1,333	—	1,333
Executive and Support Services.....	4,353	10,911	—	10,911
Contracts and Funding Arrangements.....	28,560	33,560	—	33,560
TOTAL OPERATING EXPENSES	62,885	76,775	—	76,775
CAPITAL EXPENDITURES				
	Net	Disbursements	Receipts	Net
Core Business				
Oil and Gas.....	471	275	—	275
Mining and Minerals.....	1,026	865	—	865
Executive and Support Services.....	310	310	—	310
TOTAL CAPITAL EXPENDITURES	1,807	1,450	—	1,450
LOANS, INVESTMENTS AND OTHER REQUIREMENTS				
	Net	Disbursements	Receipts	Net
Core Business				
Contract and Funding Arrangements.....	50,000	50,000	—	50,000
TOTAL LOANS, INVESTMENTS AND OTHER REQUIREMENTS.....	50,000	50,000	—	50,000
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES				
	Net	Disbursements	Receipts	Net
Core Business				
Executive and Support Services.....	—	25,690	(25,690)	—
TOTAL REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES.....	—	25,690	(25,690)	—

MINISTRY OF ENERGY AND MINES

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

VOTE 20 — MINISTRY OPERATIONS

This vote provides for ministry programs and operations described in the voted appropriations under the following five core businesses: Oil and Gas, Offshore Oil and Gas, Mining and Minerals, Electricity and Alternative Energy, and Executive and Support Services.

OIL AND GAS

Voted Appropriation

Oil and Gas Division.....	15,170	11,937
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Voted Appropriation Description: This sub-vote provides for management of the province's natural gas and petroleum resources, including selling and administering petroleum and natural gas rights; facilitating infrastructure development to improve access to oil and gas resources; undertaking economic and financial analysis to develop policies and programs; identifying, stimulating and facilitating development opportunities; providing information to the public; streamlining provincial regulations that apply to the oil and gas sector; representing the province's interests before energy regulatory tribunals and developing and maintaining petroleum geology databases.

OFFSHORE OIL AND GAS

Voted Appropriation

Offshore Oil and Gas.....	5,800	5,752
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Voted Appropriation Description: This sub-vote provides for the office of the deputy minister and includes salaries, benefits and operating expenses related to government's management of offshore oil and gas resources. This sub-vote also includes expenses for developing policies and programs to identify, stimulate, market and facilitate British Columbia's offshore oil and gas development opportunities; external relations; consulting with First Nations and other stakeholders and providing information to the public. This sub-vote also provides for negotiating and implementing agreements with other governments, First Nations and non-governmental organizations regarding the fiscal, regulatory, scientific, health and safety, environmental, socio-economic and financial aspects of offshore oil and gas development and ocean management.

MINING AND MINERALS

Voted Appropriation

Mining and Minerals.....	7,868	13,282
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Voted Appropriation Description: This sub-vote provides for management of the province's mining resources and regulation of the industries that explore for, and develop, these resources by regulating mineral, coal, industrial mineral and aggregate industries for health and safety and environmental responsibility; promoting the mining industry; issuing and administering mineral exploration and mining tenures; permitting exploration and mining operations; enforcing provincial legislation and regulations; reviewing and developing legislation, regulations and policies; providing a regulatory framework to protect the public interest; providing information to the public; developing and delivering geoscience databases; working with industry and providing financial assistance to other organizations to collect and publish baseline geoscience information; providing assistance and advice to prospectors and exploration companies; and undertaking economic and financial analysis to provide measures to enhance exploration and mining investment attractiveness.

MINISTRY OF ENERGY AND MINES

OPERATING EXPENSE BY CORE BUSINESS (Continued)

\$000

Estimates
2004/05

Estimates
2005/06

ELECTRICITY AND ALTERNATIVE ENERGY

Voted Appropriation

Electricity and Alternative Energy.....	1,134	1,333
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Voted Appropriation Description: This sub-vote provides for development of legislation, policies and programs to support all forms of electrical power generation, alternative energy sources, energy conservation and efficiency measures and leading edge technologies, including providing policy advice or direction to electric utilities and the regulator, the British Columbia Utilities Commission; fostering private sector investment in new electricity resources; and providing resource information and support for independent power producers.

EXECUTIVE AND SUPPORT SERVICES

Voted Appropriations

Minister's Office.....	831	819
Corporate Services.....	2,570	5,872
External Relations.....	952	4,220
	4,353	10,911

Voted Appropriations Description: This sub-vote provides for the offices of the Minister of Energy and Mines and the Minister of State for Mining and includes salaries, benefits, allowances and operating expenses for the ministers and the ministers' staff; administration and executive support including the deputy minister's office, external relations, strategic human resources and correspondence, and aboriginal policy and programs. Under an agreement, the Ministry of Small Business and Economic Development provides administrative support services to the ministry.

VOTE 20 — MINISTRY OPERATIONS

34,325

43,215

MINISTRY OF ENERGY AND MINES

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

VOTE 21 — CONTRACTS AND FUNDING ARRANGEMENTS

This vote provides for programs and operations described in the voted appropriations under the Contracts and Funding Arrangements core business.

CONTRACTS AND FUNDING ARRANGEMENTS

Voted Appropriations

Resource Revenue Sharing Agreements.....	2,500	2,500
Vancouver Island Natural Gas Pipeline Agreement.....	24,060	29,060
Columbia Basin Trust.....	2,000	2,000
	28,560	33,560

Voted Appropriations Description: This sub-vote provides for transfers to First Nations, to share revenue received from petroleum, natural gas and minerals extraction in accordance with the federal/provincial agreement, as specified under the *Fort Nelson Indian Reserve Minerals Revenue Sharing Act* and agreements with other First Nations; transfers to the Columbia Basin Trust for a portion of operating expenses; and for payments required under the Vancouver Island Natural Gas Pipeline Agreement.

VOTE 21 — CONTRACTS AND FUNDING ARRANGEMENTS	28,560	33,560
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MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY

GROUP ACCOUNT CLASSIFICATION

Salaries and Benefits	16,774	22,387
Operating Costs	14,277	16,475
Government Transfers	31,834	37,913
TOTAL OPERATING EXPENSE.....	62,885	76,775

MINISTRY OF ENERGY AND MINES

LOANS, INVESTMENTS AND OTHER REQUIREMENTS BY CORE BUSINESS

\$000

Estimates 2004/05	Estimates 2005/06
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CONTRACT AND FUNDING ARRANGEMENTS

COLUMBIA BASIN ACCORD — Disbursements are for an investment in the Columbia Power Corporation and the Columbia Basin Trust for power projects to be undertaken pursuant to the province's agreements with the Columbia Basin Trust.

Receipts.....	—	—
Disbursements.....	50,000	50,000
Net Cash Source (Requirement).....	(50,000)	(50,000)

REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES BY CORE BUSINESS

\$000

Estimates 2004/05	Estimates 2005/06
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EXECUTIVE AND SUPPORT SERVICES

OIL AND GAS COMMISSION ACT — Disbursements are provided by the province to the Oil and Gas Commission under the *Oil and Gas Commission Act* with respect to oil and gas industry fees collected on behalf of the Commission under the *Petroleum and Natural Gas Act* and the *Pipeline Act*, and the levy assessed and collected on behalf of the Commission under the *Oil and Gas Commission Levy Regulation*.

Receipts.....	24,600	25,690
Disbursements.....	24,600	25,690
Net Cash Source (Requirement).....	—	—