

BACKGROUNDER

2007EMPR0008-000178 Feb. 27, 2007 Ministry of Energy, Mines and Petroleum Resources

OIL AND GAS

The BC Energy Plan: A Vision for Clean Energy Leadership puts British Columbia at the forefront of environmental and economic leadership in our energy policies. The Plan outlines the steps required for all stakeholders – including industry experts, environmental agencies and the people of British Columbia – to develop realistic and achievable goals for conservation, energy efficiency and clean energy.

Highlights

- Promote competitiveness to attract oil and gas development investment through measures such as:
 - o Implementing a Net Profit Royalty Program
 - o Promoting a B.C. service sector
 - o Undertaking geoscience programs
 - o Harmonizing and streamlining regulations, and
 - o Developing a Petroleum Registry
- Establish a clear, structured infrastructure royalty program, combining road and pipeline initiatives and increasing development in under-explored areas that have little or no infrastructure.
- Explore value-added opportunities in the oil and gas industry by examining the viability of a new petroleum refinery and petrochemical industry.
- Eliminate all routine flaring at oil and gas producing wells and production facilities by 2016 with an interim goal to reduce flaring by 50 per cent by 2011.
- Establish policies and measures to reduce air emissions in co-ordination with the Ministry of Environment.
- Maintain the best coalbed gas practices in North America.
 - o Companies will not be allowed to surface discharge produced water and any re-injected produced water must be injected well below any domestic water aguifer.
- Sovernment will explore new technologies for safe underground disposal or sequestration of carbon dioxide from oil and gas facilities.
- Enhance the Oil and Gas Environmental Stewardship Program, ensuring sound environmental, land and resource management.
- Partner with industry, the federal government and Geoscience BC to promote exploration and development of the Interior basins with a priority focus on the Nechako Basin.
- Encourage the development of unconventional resources such as tight gas, shale gas, and coalbed gas.
- A new Oil and Gas Technology Transfer Incentive Program will be developed to encourage the research, development and use of innovative technologies to increase recoveries from existing reserves and encourage responsible development of new oil and gas reserves.

- Work with the federal government, communities and First Nations to advance offshore development in a scientifically sound and environmentally responsible way.
- Create a community engagement program to discuss a benefits sharing agreement framework resulting from offshore oil and gas development for communities, including First Nations.
- Improve working relationships among industry, local communities and landowners by simplifying processes, strengthening dispute resolution methods and offering more support and information.

-30-

For more information or a copy of The BC Energy Plan: A Vision for Clean Energy Leadership, visit http://energyplan.gov.bc.ca on the Internet.

Media Jake Jacobs

contact: Public Affairs Officer

Ministry of Energy, Mines and

Petroleum Resources

250 952-0628

For more information on government services or to subscribe to the Province's news feeds using RSS, visit the Province's website at www.gov.bc.ca.