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# SEPTEMBER BUDGET UPDATE 2005

*Ministry of  
Energy, Mines and  
Petroleum Resources*

**2005/06 – 2007/08  
SERVICE PLAN UPDATE  
SEPTEMBER 2005**



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## Message from the Minister and Accountability Statement

British Columbia is rich with natural resources and as this government begins our new mandate I am committed to seeing this ministry contribute to a golden decade of prosperity for the people of British Columbia and the realization of all five of our great goals.

The environmentally and socially responsible development of energy, minerals, and oil and gas resources provides the building blocks for our communities and the economy, such as aggregates to build roads, the wide range of minerals used in daily life, and natural gas for heating homes. These vibrant sectors also contribute \$2 billion to government revenue, providing funding for our goals to address public priorities such as education, healthy living and health care, and support for those most in need.

Our government's goal is to lead the world in sustainable environmental management and as a province we are well on our way to achieving this through the efforts of our *Alternative Energy and Power Technology Task Force* and publicly owned BC Hydro. Currently almost 90 per cent of our electricity comes from clean hydro projects. As power needs grow, we will ensure energy security and delivery of supply closer to consumption through independent power production (IPP) projects that employ both conventional and alternative BC Clean electricity technologies like run-of-river, solar, biomass, tidal and wind. To date over 60 IPPs have electricity purchase agreements.

Sustainable growth of the mining and oil and gas sectors continues to be a priority as we examine how best to work with communities, governments and First Nations. Capital investment in the oil and gas sector in British Columbia was \$4.5 billion in 2004. With initiatives like the summer drilling program and road rehabilitation strategy, industry now operates year-round providing opportunities for an expanded British Columbia service sector. We also continue to be committed to a science-based, environmentally responsible offshore oil and gas industry and will work with coastal communities and First Nations to ensure their interests are met. Mineral exploration, which is critical to future mine development, is on the rise and forecasted to reach \$200 million in 2005. Together, these industries provide family-supporting employment and business opportunities in communities across the province, while producing products that are essential to our way of life.

By delivering on the objectives in this service plan, this ministry will help British Columbia achieve a golden decade. We will build on the success of the last four years — ensuring thriving, competitive, safe and environmentally responsible energy, mineral and petroleum development that benefits the people of British Columbia.

The Ministry of Energy, Mines and Petroleum Resources 2005/06–2007/08 Service Plan Update September 2005 was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared. All material fiscal assumptions and policy decisions as of August 31, 2005 have been considered in preparing the plan and I am accountable for achieving the specific objectives in the plan.

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 capitalized and prominent.

Honourable Richard Neufeld  
Minister of Energy, Mines and Petroleum Resources

September 2, 2005



## Message from the Minister of State for Mining and Accountability Statement

Environmentally responsible mineral exploration and mining has a long history as the backbone of many communities in British Columbia. Mining provides some of the highest paid industrial jobs as well as business opportunities for companies that service the industry and indirect spin-off benefits to communities. As the Minister of State for

Mining, I intend to oversee implementation of the new BC Mining Plan, working with industry to balance environmental, economic and community interests — benefitting the people of British Columbia. The BC Mining Plan, released in January of this year, is built on four cornerstones that will guide a successful industry:

1. Strong and enduring relationships with communities and First Nations;
2. Protecting workers and the environment through continued leadership by industry and government in worker safety and environmental stewardship;
3. Global competitiveness through actions to increase investment, streamline regulation and improve geoscience information; and
4. Access to land through improved integration of exploration and mining with other land uses.

Through the implementation of this Service Plan we will support British Columbia's five great goals. We will especially focus on ensuring environmentally sustainable mine development, the continued growth of exploration spending, and the attractiveness of British Columbia to the global mining community. New geoscience and infrastructure investments will pay-off as industry takes a fresh look British Columbia's geology and resources. This increased activity and new mine development will provide significant opportunities for communities and First Nations in the golden decade to come.

I am the Minister of State for Mining and under the *Balanced Budget and Ministerial Accountability Act*, I am accountable for achieving the following results for 2005/06:

- 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 the 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 the Economy.

- 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 the Economy.

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

September 2, 2005

# Ministry Overview and Core Business Areas

## Ministry Overview

The Ministry of Energy, Mines and Petroleum Resources is tasked with managing the responsible development of British Columbia's energy and mineral 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. This Service Plan outlines the Ministry's strategy to increase the jobs, investment and revenue related to these sectors, while acting as an environmental steward protecting the land base from which they come.

The Ministry administers 25 statutes pertaining to the energy and mining sectors. 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.

Core Business of MEM	Organization within MEM
1. <b>Oil and Gas</b>	<ul style="list-style-type: none"> <li>• <b>Oil and Gas Division</b> — Develops and implements policies and programs to maximize the benefits from oil and gas resources.</li> <li>• <b>Oil and Gas Titles Branch, Titles Division</b> — Issues and administers tenures for Crown oil and gas rights.</li> </ul>
2. <b>Offshore Oil and Gas</b>	<ul style="list-style-type: none"> <li>• <b>Offshore Oil and Gas Team</b> — Established to enable offshore oil and gas development to occur in British Columbia in a scientifically sound and environmentally responsible manner.</li> </ul>
3. <b>Mining and Minerals</b>	<ul style="list-style-type: none"> <li>• <b>Mining and Minerals Division</b> — Develops and implements policies and programs to manage and promote the exploration and development of coal, aggregate, industrial minerals and mineral resources.</li> <li>• <b>Mineral Titles Branch, Titles Division</b> — Issues and administers mineral and coal exploration and mining tenures.</li> </ul>
4. <b>Electricity and Alternative Energy</b>	<ul style="list-style-type: none"> <li>• <b>Electricity and Alternative Energy Division</b> — Develops and implements policies and programs to support all forms of electrical power generation, alternative energy sources, energy conservation and efficiency measures.</li> </ul>

Core Business of MEM	Organization within MEM
5. Executive and Support Services	<ul style="list-style-type: none"> <li>• <b>Marketing, Aboriginal and Community Relations Division</b> — Provides corporate support and services, leads investment promotion and facilitates First Nations and community participation in the energy and minerals sectors.</li> <li>• <b>Shared Management Services Division</b> — Shared with the Ministry of Economic Development and provides financial and administrative services.</li> </ul>

## Core Business Areas and Structure

### Oil and Gas

The Crown owns the vast majority of the Province’s petroleum and natural gas. The Ministry of Energy, Mines and Petroleum Resources 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 BC was \$1.8 Billion, or about eight 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 budget.

The Oil and Gas Division develops and implements policies and programs to maximize the benefits from BC’s oil and gas resources, including increasing provincial revenues and private sector business opportunities through innovative oil and gas infrastructure and royalty programs, promoting BC’s geological potential and enhancing the competitive business climate for BC’s oil and gas service companies.

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 generates over \$300 million in revenue annually, while the administration of tenure provides a further \$60 million each year.

### Offshore Oil and Gas

The Offshore Oil and Gas Team was established to enable offshore oil and gas development to occur in British Columbia in a scientifically sound and environmentally responsible manner. The Province of British Columbia believes that the potential opportunities provided by offshore oil and gas development are of significant public value. 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 Offshore Team's focus through 2007/08 is to complete various components of the Offshore Team 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.

## **Mining and Minerals**

Mining has fueled economic development throughout the province since the first Gold Rush nearly 150 years ago. British Columbia 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 BC Mining Plan.

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.

## **Electricity and Alternative Energy**

The Electricity and Alternative Energy Division develops and implements policies and programs to support all forms of electrical power generation, alternative energy sources, energy efficiency measures, and leading edge technologies. Energy, economic and environmental policies are intertwined. As British Columbia'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. 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. The Division is responsible for implementing the electricity and alternative energy policy actions in "Energy for Our Future: A Plan for BC" and for developing and implementing provincial policy with respect to BC Hydro and the BC Transmission Corporation.

## **Executive and Support Services**

The Marketing, Aboriginal and Community Relations Division leads the Ministry's aboriginal and community stakeholder strategy, investment promotion and marketing, 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 the administration of the Mediation and Arbitration Board.

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.

# Resource Summary

Core Business Areas	2004/05 Restated Estimates <sup>1</sup>	2005/06 Estimates	2006/07 Plan	2007/08 Plan
<b>Operating Expenses (\$000)</b>				
Oil and Gas .....	15,170	11,937 <sup>2</sup>	9,487 <sup>2</sup>	9,487
Offshore Oil and Gas .....	4,300	4,252	4,252	4,252
Mining and Minerals .....	7,868	13,282 <sup>3</sup>	13,282	13,282
Electricity and Alternative Energy .....	1,134	1,482 <sup>4</sup>	1,575 <sup>4</sup>	1,570
Executive and Support Services .....	4,313	9,971 <sup>5</sup>	10,001	7,891
Contracts and Funding Arrangements <sup>6</sup> .....	26,560	31,560	33,560	33,560
<b>Total .....</b>	<b>59,345</b>	<b>72,484</b>	<b>72,157</b>	<b>70,042</b>
<b>Full-time Equivalents (Direct FTEs)</b>				
Oil and Gas .....	78	79	79	79
Offshore Oil and Gas .....	12	12	12	12
Mining and Minerals .....	93	111	111	111
Electricity and Alternative Energy .....	12	13	14	14
Executive and Support Services .....	47	54	54	54
<b>Total .....</b>	<b>242</b>	<b>269</b>	<b>270</b>	<b>270</b>
<b>Ministry Capital Expenditures (Energy, Mines and Petroleum Resources) (\$000)</b>				
Oil and Gas .....	471	275	575	175
Mining and Minerals .....	1,026	865	550	550
Electricity and Alternative Energy .....	0	6	7	8
Executive and Support Services .....	310	310	256	207
<b>Total .....</b>	<b>1,807</b>	<b>1,456</b>	<b>1,388</b>	<b>940</b>

<sup>1</sup> These amounts have been restated, for comparative purposes only, to be consistent with the presentation of the September Update 2005 *Estimates* 2005/06. Schedule A of the *Estimates*, presents a detailed reconciliation.

<sup>2</sup> Budget reduction represents completion of specific projects.

<sup>3</sup> Budget increase represents new expenditures for geoscience, health and safety and to meet increased levels of activity in the mining and minerals sector. Includes the Titles Division budget that resources the coal and mineral titles program and the oil and gas titles program.

<sup>4</sup> Budget increase represents a transfer of budget from Land and Water BC to administer land-based Independent Power Project operational policy and tenure.

<sup>5</sup> Budget increase represents new expenditures for Community Engagement Strategy and for Treaty 8 negotiations.

<sup>6</sup> Contracts and Funding Arrangements includes: An annual payment for three years to reflect the province's obligations under the Vancouver Island Gas Pipeline Agreement; revenue sharing agreements. Operating expenditures totaling \$2M associated with the Columbia Basin Trust have been transferred to the Ministry of Economic Development.

*Ministry of Energy, Mines and Petroleum Resources*

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Core Business Areas	2004/05 Restated Estimates <sup>1</sup>	2005/06 Estimates	2006/07 Plan	2007/08 Plan
<b>Other Financing Transactions (\$000)</b>				
<b><i>Oil and Gas Commission Act</i></b>				
Receipts .....	24,600	26,220	27,381	28,184
Disbursements .....	24,600	26,220	27,381	28,184
<b>Total Net Cash Source (Requirements)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> These amounts have been restated, for comparative purposes only, to be consistent with the presentation of the September Update 2005 *Estimates* 2005/06. Schedule A of the *Estimates*, presents a detailed reconciliation.

# Strategic Context

## Vision, Mission and Values

### **Vision**

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

### **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.

### **Values**

The following values define the Ministry of Energy, Mines and Petroleum Resources' 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.

## **Planning Context and Key Strategic Issues**

British Columbia is in the fortunate position of having abundant opportunities for energy and mineral resource development at a time when the markets for these commodities are forecast to continue to strengthen. Rising 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 and sale of these commodities from BC operations. At the same time, continued public ownership of BC Hydro's heritage assets and the BCUC's regulation of domestic rates under the heritage contract mean that electricity prices within British Columbia are among the lowest in North America.

Oil and gas activity levels remain robust in the British Columbia portion of the Western Canadian Sedimentary Basin with many companies pursuing BC's relatively unexplored oil and gas potential. Companies are still able to acquire substantial contiguous blocks of rights in BC, which is particularly valuable for those pursuing development of oil and gas resources, which require efficiencies of scale to be economic.

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

British Columbia 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.", will help British Columbia achieve these goals. The responsible development of the Province's clean and renewable electricity resources is a key aspect of BC's energy future. British Columbia is currently a net importer of electricity and 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 per capita or per unit of GDP, 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.

Annually, the Ministry of Energy, Mines and Petroleum Resources assesses its risks and opportunities 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 is comprehensive list of the aforementioned external and internal risks and opportunities.

### **External Risks and Opportunities**

**Availability of Investment Funds** — Financial markets have moderately tightened and this could decrease the potential for the province to see increased spending and investment in some sectors in 2005/06.

**Commodity prices** — Commodity prices have a significant impact on investment levels but are completely outside of the control of the Ministry. The Ministry is focused on identifying the opportunities created by the high commodity price environment to accelerate responsible development in the near-term.

**Competitiveness** — Investment dollars move readily around the globe to the jurisdictions that provide the highest net returns for given levels of risk. The Ministry monitors changes in British Columbia's competitiveness as compared to other jurisdictions and implements strategies to maintain British Columbia's competitive position and investment attractiveness.

**Weather and Climate** — The weather can impact the demand for energy as well as the ability of industry to produce energy. For example, several years of low rainfall can mean reduced reservoir levels and reduced ability to generate hydro-electricity. Also, an early thaw in Northeast BC can mean a reduced window of operation for oil and gas companies.

**Access to the Land-base** — Access is essential in order for industry to explore for and develop British Columbia's rich mineral, small hydro, coal, geothermal, wind, and oil and gas resources, which are geographically distributed throughout the province. As industry moves into new areas and the level of activity increases, there are increased concerns expressed by First Nations, communities and individual residents about potential resource developments in their areas. In addition, land use decisions by government can have a significant impact on resource access by industry.

**Skilled Workers** — With the growing demand throughout Western Canada for both skilled and unskilled workers in the transportation and construction sectors, as well as the energy and minerals sectors, new strategies for attracting, training and retaining workers are required.

**First Nations Consultation** — There is a need to build new relationships with and capacity in First Nation's communities with regards to energy, mineral and petroleum exploration and development. The Ministry has a separate goal and strategies designed to address this in this Service Plan.

**Community Engagement** — In many areas of the province, communities are seeking earlier and more comprehensive information from government and industry regarding resource development proposed for their areas. In addition, many communities are actively looking at the opportunities open to them from proactive energy planning — ranging from energy conservation programs to the economic development opportunities associated with local resource development. The Ministry is developing and implementing a community engagement strategy to enhance public confidence, provide greater community benefits and increase investment certainty for industry.

**Offshore Oil and Gas** — Offshore oil and gas resources in the Queen Charlotte Basin, based on present estimates, could return tens of billions of dollars in revenues to the Province. However, the socio-economic impact of offshore oil and gas development on local values and existing commercial activities is undefined. The federal moratorium remains the primary obstacle to substantive progress in a number of areas including, seismic data collection, information dissemination, First Nations and community consultations, regulatory and management discussions and scientific studies related to offshore oil and gas.

**North American Oil and Gas Supply/Demand** — North American demand for oil and gas continues to increase while new supply opportunities are limited. This trend will continue to support the higher level of oil and gas prices over the next five years.

**China/India** — The emergence of China and India as major energy consumers has increased demand and prices in a wide range of resource commodity markets. For example China's growing steel demand has boosted the world demand for and price of metallurgical coal. As a result, coal companies have taken a renewed interest in BC's major coal deposits. Additionally, China is emerging as a new source of investment funds that can be attracted to BC.

**Northern Natural Gas Projects** — Completion of proposed arctic natural gas pipelines may result in a shift in oil and gas investment northward, and could temporarily dampen North American natural gas commodity prices as large amounts of natural gas are brought into southern markets.

**Geoscience** — Enhanced geoscience surveys are key to attracting more mineral exploration investments. Geoscience BC, a new non-government organization, is playing an important role in delivering geophysical and geochemical surveys in the province.

**Environmental Concerns** — Virtually all of the current provincial and federal interactions concerning electricity and alternative energy are significantly influenced by Canada's obligations under the Kyoto Protocol. This pervasive issue remains difficult for governments

to manage because, while perceived by many as an environmental issue, the implications in the near term are largely economic. The timeframe for action, measured in decades, tends to challenge governments faced with more immediate demands for limited financial and public sector resources.

**Technological Change** — Technological innovation is seen as a key indicator of progress in the energy and mineral sectors. Many view it as a panacea for addressing escalating costs, enhancing energy security of supply and addressing environmental issues.

**Aging Provincial Infrastructure** — British Columbia's electricity generation and oil, natural gas and electricity transmission and distribution infrastructure is aging with many components nearing the end of their useful lives. Utilities will increasingly be faced with decisions regarding the ongoing maintenance of assets versus replacement.

**Consumer Awareness** — British Columbians generally do not recognize the influence their energy-use decisions have on provincial resource development, infrastructure management and energy policy.

## **Internal Risks and Opportunities**

**Collaborative Relationship with Industry** — The Ministry has an exemplary relationship with key industry clients. This has allowed the Ministry to advance new programs and strategies promptly and decisively.

**Staffing Challenges** — The Ministry has highly motivated and skilled staff, but recruitment and retention remain a challenge for certain technical and professional positions. A qualified, effective staff is pivotal in developing productive relationships with communities, First Nations, industry, other agencies, local governments and environmental groups.

**Internet-based mineral tenure acquisition and administration system** — Implemented in early 2005, the system has been widely accepted as an excellent registry system which increases tenure security, allows easy access to data and provides administrative savings. Industry clients are responding by acquiring mineral claims at a record pace. Recent enhancements to the data systems for oil and gas tenure administration also add to the Ministry's ability to deliver efficient service to clients.

**Online mine permitting** — The Ministry is developing an online permitting system for mineral exploration that is harmonized with the new approach to multi-agency approvals.

**Resource Information** — BC's state-of-the-art mineral resource and geoscience databases and interactive mapping websites are seen as a significant positive factor in attracting exploration and investment in BC.

**Regulatory Streamlining** — The Ministry has reduced regulations to facilitate development while ensuring the integrity of environmental, health and safety standards.

**Mountain Pine Beetle** — The Ministry is looking to mitigate some of the negative effects of the Mountain Pine Beetle Epidemic by enhancing the opportunities to develop oil and gas basins and mineral deposits in areas impacted by the beetle.

**Coalbed Gas** — The Province will continue to promote and facilitate responsible coalbed gas development throughout British Columbia.

# Goals, Objectives, Strategies and Results

## Ministry Goals and their Linkage to the Five Great Goals

With regard to the Five Great Goals for A Golden Decade, the Ministry of Energy, Mines and Petroleum Resources makes a substantial contribution to the first three great Goals by providing the government with revenue to support the high level of health care, education and social services set by these Goals:

Great Goal One — *Make BC 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, special needs, children at risk and seniors.*

The Ministry also 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 Goals. With regard to Great Goal Four — *Lead the world in sustainable environmental management, with the best air and water quality, and the best fisheries management — bar none* — energy, mineral and petroleum resource development must be achieved while British Columbians also continue to enjoy a healthy and vibrant environment. The Ministry is at the forefront of developing resource management and community engagement measures so that British Columbia can lead the world in sustainable environmental management and enjoy the best air and water quality. Ministry initiatives to encourage energy efficiency and lower greenhouse gas emissions, reduce the footprint of industry and maintain high environmental standards at mines and mineral exploration sites will contribute significantly to the success of Great Goal Four.

With regard to Great Goal Five — *Create more jobs per capita than anywhere else in Canada* — the responsible growth of the energy, mining and petroleum sectors brings with it the creation of safe, family-supporting jobs throughout British Columbia. The Ministry encourages investment and activity in these sectors and works with other Ministries to help ensure British Columbia businesses and workers are available to supply these industries' needs. New investments in geoscience, more streamlined regulations and new policies to promote British Columbia's leading edge alternative energy sector will result in more economic activity, more businesses and more jobs in British Columbia. In particular, the Ministry is focused on developing new energy and mineral resources in areas affected by the Mountain Pine Beetle Epidemic.

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		
Five Great Goals	Goals	Objectives
<p>Lead the world in sustainable environmental management, with the best air and water quality, and the best fisheries management — bar none</p> <p>And</p> <p>Create more jobs per capita than anywhere else in Canada</p>	<p>1. A strong and competitive oil and gas sector in British Columbia.</p>	<p>1. Increase capital investment in BC's oil and gas sector.</p> <p>2. Increase BC's oil and gas production activity and reserves.</p> <p>3. Community engagement and environmental stewardship.</p>
	<p>2. Enable offshore oil and gas development to occur in BC in a scientifically sound and environmentally responsible manner.</p>	<p>1. Enable offshore oil and gas development to occur in BC in a scientifically sound and environmentally responsible manner.</p>
	<p>3. A safe, environmentally responsible and globally competitive exploration and mining sector in British Columbia.</p>	<p>1. Increase exploration investment.</p> <p>2. Environmental protection at mine sites.</p> <p>3. Maintain health and safety standards at sites.</p> <p>4. Promote the consistent application of two zone land use systems.</p>
	<p>4. Thriving, competitive, reliable and environmentally responsible electricity and alternative energy sectors.</p>	<p>1. Facilitate investment in electricity and alternative energy.</p> <p>2. Environmental improvements through promotion of alternative energy and energy efficiency.</p> <p>3. Implementation of the Provincial Energy Plan.</p>
	<p>5. First Nations and communities working with government for the responsible development of BC's energy and mineral resources.</p>	<p>1. Build relationships with First Nations to facilitate participation in the energy and mining sectors.</p>
	<p>6. MEM as an exemplary organization.</p>	<p>1. Implement effective human resource practices consistent with best practices.</p>

## Ministry Performance Plan Summary

Ministry Goals	Ministry Key Objectives	Measures / Targets (As appropriate)	
<p>1. A strong and competitive oil and gas sector in British Columbia.</p>	<p>1. Increase capital investment in BC's oil and gas sector.</p>	<p>Annual oil and gas industry investment.</p>	
	<p>2. Increase BC's oil and gas production activity and reserves.</p>	<p>Reserve replacement.</p>	
		<p>Wells drilled.</p>	
		<p>Raw natural gas production.</p>	
		<p>Crude oil production.</p>	
		<p>Provincial revenue.</p>	
	<p>3. Community engagement and environmental stewardship.</p>	<p>Wells on multi-well pads.</p>	
	<p>2. Enable offshore oil and gas development to occur in BC in a scientifically sound and environmentally responsible manner.</p>	<p>1. Enable offshore oil and gas development to occur in BC in a scientifically sound and environmentally responsible manner.</p>	<p>Implement the Offshore Oil and Gas Project Plan.</p>
	<p>3. A safe, environmentally responsible and globally competitive exploration and mining sector in British Columbia.</p>	<p>1. Increase exploration investment.</p>	<p>Mineral exploration expenditure.</p>
<p>Capital investment.</p>			
<p>2. Environmental protection at mine sites.</p>		<p>Compliance with permit and reclamation orders.</p>	
<p>3. Maintain health and safety standards at sites.</p>		<p>Accident frequency.</p>	
<p>4. Promote the consistent application of two zone land use systems.</p>		<p>Compliance with mine inspection orders.</p> <p>Facilitate regional workshops.</p>	

Ministry Goals	Ministry Key Objectives	Measures / Targets (As appropriate)
<p>4. Thriving, competitive, reliable and environmentally responsible electricity and alternative energy sectors.</p>	<p>1. Facilitate investment in electricity and alternative energy.</p>	<p>← Investment in alternative energy.</p>
	<p>2. Environmental improvements through promotion of alternative energy and energy efficiency.</p>	<p>← Investment in hydrogen and fuel cell sector.</p>
	<p>3. Implement and/or oversee the implementation of the Policy Actions in the provincial Energy Plan.</p>	<p>← “Energy Star” rating.</p>
		<p>← “Energuide” ratings.</p>
		<p>← Implementation of policy actions.</p>
		<p>← Implementation of recommendations of the Alternative Energy and Power Technology Task Force.</p>
<p>5. First Nations and communities working with government for the responsible development of BC’s energy and mineral resources.</p>	<p>1. Build relationships with First Nations to facilitate participation in the energy and mining sectors.</p>	<p>← First Nations Engagement Strategy.</p>
<p>← Ministry First Nations knowledge.</p>		
<p>← Treaty 8 negotiations.</p>		
<p>6. EMPR as an exemplary organization.</p>	<p>1. Implement effective human resource practices consistent with best practices.</p>	<p>← EPDP implementation.</p>
<p>← Updated HR plan.</p>		

## Performance Plan

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

The Crown owns most of the province's petroleum and natural gas. The Ministry of Energy, Mines and Petroleum Resources is the steward of these resources and is mandated to protect the public interest in petroleum and natural 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 BC was approximately \$2 Billion, or about eight 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 budget.

### **Core Business Area:** *Oil and Gas.*

### **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.

Performance Measure	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Annual dollar amount of oil and gas industry capital investment in British Columbia. <sup>1</sup>	\$4.5 billion	\$4.8 billion	\$5.1 billion	\$5.4 billion

<sup>1</sup> Source: Canadian Association of Petroleum Producers. These estimates are provided only by calendar year.

### **Target Rationale:**

Capital investment has a direct impact on drilling activity, production, reserve replacement and revenues to the Crown. The annual targets are based on the past investment trend combined with the expected impact of Ministry policies and programs to attract greater investment.

### **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 BC 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.

Performance Measures	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Reserve replacement ratio. <sup>1</sup>	110%	110%	110%	110%
Number of wells drilled. <sup>2</sup>	1,328	1,390	1,496	1,596
Raw Natural Gas Production — Trillions of cubic feet (Tcf). <sup>2</sup>	1.060 Tcf	1.105 Tcf	1.140 Tcf	1.176 Tcf
Crude Oil Production — Millions of barrels (Mbbls). <sup>2</sup>	14.14 Mbbls	12.63 Mbbls	12.69 Mbbls	12.73 Mbbls
Provincial Revenue. <sup>3</sup>	\$2.032 billion	\$2.000 billion	\$2.144 billion	\$2.050 billion

<sup>1</sup> Calendar basis — Canadian Association of Petroleum Producers.

<sup>2</sup> Oil and Gas Commission.

<sup>3</sup> British Columbia Ministry of Provincial Revenue — Forecasts reflect projected prices of oil and gas at time of publication.

### Target Rationale:

Reserve replacement is a key measure of a thriving and competitive oil and gas industry. Number of wells drilled and production are key indicators widely used by industry to communicate activity levels and success. Activity levels are closely linked to employment and business opportunities. Provincial revenue is a definitive indicator of broader provincial public benefits from oil and gas development.

### 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.

Performance Measure	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Wells on multi-well pads. <sup>1</sup>	136	147	158	168

<sup>1</sup> Measure developed by the Oil and Gas Division in consultation with the Oil and Gas Commission.

### Target 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. The above targets reflect the proportion of wells on multi-well pads growing at three per cent per year.

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

The Province of British Columbia believes that the potential opportunities provided by offshore oil and gas development are of significant public value. 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 Offshore Team’s focus through 2007/08 is to complete various components of the Offshore Team 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.

### **Core Business Area:** *Offshore Oil and Gas.*

### 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 British Columbia offshore, and to make that knowledge more accessible to the public.

Performance Measure	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Implement the Offshore Oil and Gas Project Plan.	Complete Offshore Team Project Plan objectives for 2004/05.	Complete Offshore Team Project Plan objectives for 2005/06.	Complete Offshore Team Project Plan objectives for 2006/07.	Complete Offshore Team Project Plan objectives for 2007/08.

## Target Rationale:

Targets reflect reasonable goals leading to informed decisions regarding offshore oil and gas in British Columbia.

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

Mining has fueled economic development throughout the province since the first Gold Rush nearly 150 years ago. British Columbia is rich in mineralization and is ranked high by companies with respect to potential mineral and coal wealth. Mining revenues and jobs are increasing as commodity prices, government policies and investor confidence are attracting 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.

### **Core Business Area:** *Mining and Minerals.*

### **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 British Columbia.
2. Streamline regulations and approvals for exploration and mining.
3. Conduct new geoscience surveys to attract investment to British Columbia.
4. Maintain and enhance the new electronic, internet-based system for mineral claim acquisition and maintenance.

Performance Measures	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Annual dollar amount of mineral exploration expenditure. <sup>1</sup>	\$130 million	\$150 million	\$160 million	\$170 million
Capital investment in new or existing mines. <sup>2</sup>	\$100 million	\$250 million	\$350 million	\$450 million

<sup>1</sup> Source: British Columbia Ministry of Energy, Mines and Petroleum Resources, based on annual surveys conducted by the Ministry in collaboration with Natural Resources Canada and Statistics Canada (calendar year).

<sup>2</sup> Capital spending for the mineral sector is estimated by Ministry of Energy, Mines and Petroleum Resources staff using data from annual surveys by PriceWaterhouseCoopers and Natural Resources Canada, adjusted to reflect non-surveyed activities and post-survey developments.

### Target Rationale:

Targets identify the anticipated increases in investment resulting from world market trends and Ministry policies and programs aimed at stimulating exploration and mining in British Columbia.

### 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.

Performance Measure	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Compliance with permit and reclamation orders regarding environmental conditions. <sup>1</sup>	95% compliance	95% compliance	95% compliance	95% compliance

<sup>1</sup> Ministry of Energy, Mines and Petroleum Resources permit and reclamation inspections.

### Target Rationale:

This target will ensure British Columbia exploration and mining operations support environmental stewardship of the land.

### 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.

Performance Measures	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Lost time accident frequency. <sup>1</sup>	2.5 or less	2.5 or less	2.5 or less	2.5 or less
Compliance with health and safety orders resulting from mine inspections. <sup>2</sup>	95% compliance	95% compliance	95% compliance	95% compliance

<sup>1</sup> Number of work days missed in one year per 100 workers. Source: Industry Report: “Comparative Statistics for mines in BC.”

<sup>2</sup> Ministry of Energy, Mines and Petroleum Resources health and safety inspections.

### Target Rationale:

Targets will ensure the mining industry remains one of the safest heavy industries in the province.

### 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.

Performance Measure	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Facilitate regional workshops designed to find solutions that will enable integrated land use.	5	6	7	7

### Target Rationale:

The Two Zone System for Mineral Exploration and Mining provides clarity and certainty for increasing mineral investment in British Columbia. This system specifies which lands are open, and which lands are off-limits, to mineral exploration and mining activities.

It demonstrates that British Columbia welcomes increased mineral development by providing clarity for everyone on land designations where applications for mining activities, including access, can be approved. The above target will ensure the integration of mining-related activity with other important land uses.

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

Energy, economic and environmental policies are intertwined. As British Columbia'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. 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.

**Core Business Area:** *Electricity and Alternative Energy.*

**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 British Columbia.
4. Implement results-based regulations.
5. Pursue strategic alliances with the federal government to further develop the hydrogen and fuel cells industry.

Performance Measures	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Increased investment in B.C.'s alternative energy production. <sup>1</sup>	Achieve a 10% increase (112 GWh) over B.C.'s alternative energy baseline (1115 GWh).	Achieve an additional 10% increase (123 GWh).	Achieve and additional 10% increase (135 GWh).	Achieve an additional 10% increase (149 GWh).
Increased investment in B.C.'s hydrogen and fuel cell sector. <sup>2</sup>	<ul style="list-style-type: none"> <li>• Contribute \$2 million to fuel cell development.</li> <li>• Two additional hydrogen/fuel cell demonstration nodes.</li> </ul>	<ul style="list-style-type: none"> <li>• Leverage an additional expenditure of \$2 million.</li> <li>• One additional hydrogen/fuel cell demonstration node.</li> </ul>	<ul style="list-style-type: none"> <li>• Leverage an additional expenditure of \$2 million.</li> <li>• One additional hydrogen/fuel cell demonstration node.</li> </ul>	<ul style="list-style-type: none"> <li>• Reassess criteria for fuel cell investment.</li> <li>• Two additional hydrogen/fuel cell demonstration nodes.</li> </ul>

<sup>1</sup> BC Hydro.

<sup>2</sup> Fuel Cells Canada.

### Target Rationale:

Energy qualifying as “BC Clean Electricity” is a proxy for the amount of investment in alternative energy. The baseline established for the province’s 2002/03 – 2004/05 Strategic Plan is 1115 GWh. 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.

### 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.

Performance Measures	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
The % of furnaces installed in new or existing B.C. residences that are “Energy Star” rated (AFUE of 90% or higher). 2003 baseline is 26%. <sup>1</sup>	30%	35%	45%	60%
Average Energuide Rating for audited B.C. single-family houses that are either newly constructed or renovated. 2003 baseline is 72. <sup>2</sup>	72	73	74	75

<sup>1</sup> Heating, Refrigeration and Air Conditioning Institute.

<sup>2</sup> Natural Resources Canada — Office of Energy Efficiency.

### Target Rationale:

The “Energy Star” furnace and “Energuide” house rating are two measurable components of the Strategic Plan for Energy Efficiency in Buildings, aimed at improving energy performance of equipment and of new and existing residential and commercial buildings.

**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.

Performance Measures	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
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.	Survey clients and stakeholders on satisfaction with the Energy Plan; views on Division priorities and levels of satisfaction with Division; possible need for Plan amendments.	To be determined by survey results.
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.	Continue to implement approved Task Force recommendations.	Continue/complete implementation of the Task Force recommendations.

**Target Rationale:**

To ensure the Energy Plan remains relevant and up-to-date, a "Report Card" on its implementation will be prepared in 2004/05, followed by a survey of users and stakeholders on future Division priorities and options for the Plan (subject to funds being available).

**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 of Energy, Mines and Petroleum Resources 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.

**Core Business Area:** *Executive and Support Services.*

**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 Ministry internal 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.

Performance Measures	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Implement First Nations engagement strategy.	Consultation and accommodation guidelines approved.	Engage nine First Nations in accommodation agreement negotiations.	<ul style="list-style-type: none"> <li>• Complete three First Nations accommodation agreements.</li> <li>• Engage nine First Nations in accommodation negotiations.</li> </ul>	Assess and develop future accommodation strategy.
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.	75% of all appropriate staff completed training program.	100% of appropriate staff completed training program.
Treaty 8 Negotiations.	Commence revenue sharing and set-aside issues negotiations.	<ul style="list-style-type: none"> <li>• Revenue Sharing negotiations complete.</li> <li>• 50% of set-aside negotiations complete.</li> </ul>	100% of set-aside issues complete.	Agreement implementation.

**Target Rationale:**

The First Nation engagement strategy provides a process for the Ministry of Energy, Mines and Petroleum Resources to address the legal requirements to consult and accommodate, and aims to increase First Nations participation in the energy and mineral sectors.

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

This goal commits the Ministry of Energy, Mines and Petroleum Resources to have the best human resources practices on behalf of its employees and government.

**Core Business Area:** *Executive and Support Services.*

**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 Measures	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Number of employees with an annual employee performance and development plan.	100% of excluded employees.	100%	100%	100%
Ministry HR plan in place and consistent with best practices.	Current HR plan in Appendix 2.	Update HR Plan in consultation with Ministry staff.	100% of HR Plan goals implemented.	100% of HR plan goals implemented.

**Target Rationale:**

Targets identified promote effective human resource practices and participation in the implementation of the Ministry HR plan.

# Related Initiatives and Planning Processes

## Deregulation and Regulatory Reform

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

Performance Measures	2004/05 Base	2005/06 Target	2006/07 Target	2007/08 Target
Review current legislation administered by MEM.	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> .	Continue to review current legislation.	Continue to review current legislation.
Maintain current baseline regulatory count.	Maintain count of 12,328.	Zero per cent increase.	Zero per cent increase.	Zero per cent increase.

## Overview of Human Resource Management Plan

The Ministry's Human Resource Management Plan is available at:  
<http://www.em.gov.bc.ca/serviceplan/HRMPOverview.htm>.

## Overview of Information Resource Management Plan

The Ministry's Information Resource Management Plan is available at:  
<http://www.em.gov.bc.ca/serviceplan/IRMPOverview.htm>.

