

## Offshore Oil & Gas in BC: A Chronology of Activity

- 1913-1915** First well drilled in the Queen Charlotte Basin by BC Oilfields Limited at Tian Bay, western Graham Island. Reported minor gas and oil shows below 1220 feet.
- 1949-1951** Eight wells were drilled onshore Graham Island. No discoveries were reported.
- 1959** British Columbia declares a Crown reserve over oil and gas resources in the area east of a line running north-south three miles seaward of Queen Charlotte Islands and Vancouver Island. Under the Petroleum and Natural Gas Act, exploration permits over oil and gas in a Crown reserve can only be granted through public auction.
- 1962-1966** British Columbia Crown reserve over offshore oil and gas resources is cancelled to encourage companies to apply for exploration permits.
- 1966** British Columbia reinstates the Crown reserve over offshore oil and gas resources to the area beginning at the low-water mark seaward to the outer limits of Canada's Territorial Sea and to that area of the Continental Shelf capable of being exploited.
- 1966-1969** Canada withholds exploration approval in the Strait of Georgia until a federal-private study on the effects of seismic exploration on fish stocks is complete.
- 1967** British Columbia declares a Crown reserve over offshore mineral and placer minerals in same area as offshore oil and gas Crown reserve.
- 1967** The Supreme Court of Canada decides that the Territorial Sea off British Columbia, outside of bays, harbours and inland waters, belongs to Canada.
- 1967** Shell Canada begins a drilling program off Barkley Sound, Vancouver Island. Over the next two years, 14 wells are drilled in the offshore in the region from Barkley Sound north through Queen Charlotte Sound and Hecate Strait.
- The drilling rig was built in Victoria, British Columbia. During the exploration program, the rig reportedly experienced seas of 80 feet and winds of 70 miles per hour off Vancouver Island; and seas of 65 feet (with one rogue wave of approximately 100 feet) in Hecate Strait. Non-commercial levels of oil were found off the Queen Charlotte Islands. Some gas shows were found off Tofino.
- 1969** Shell Canada leases its exploration rights to Chevron.
- In Santa Barbara, California, an offshore rig experiences a blow-out. In the Arctic, the U.S. vessel Manhattan transits the Northwest Passage to assess a route for oil transport from Alaska. The U.S. makes proposals to ship Alaska oil south by tanker through British Columbia coastal waters and the Strait of Juan de Fuca.

- 1970** Canada declares that no drilling or exploration will occur in the Strait of Georgia. British Columbia suspends work obligations on provincial permits in the same region until the question of ownership of the seabed in Strait has been addressed.
- 1971** The British Columbia legislature passes a resolution opposing tanker traffic off the west coast.
- 1972** Canada makes a policy decision to not approve any new exploration permits or programs in the west coast offshore and to suspend all work obligations under existing permits (**federal moratorium**).
- 1976** British Columbia Court of Appeal decides the Strait of Georgia is owned by British Columbia.
- 1981** Without limiting its earlier Crown reserve, British Columbia designates that all oil and gas in the area landward of a line drawn off the west coast of Queen Charlotte Islands south to the west coast of Vancouver Island is reserved to British Columbia.
- 1984** Supreme Court of Canada decides Strait of Georgia is owned by British Columbia.
- 1984-1986** Independent Federal-Provincial Environmental Review Panel established to assess potential environmental and socio-economic effects of offshore oil and gas exploration. Final report recommends exploration could proceed if 92 specific recommendations were met.
- 1986-1989** British Columbia and Canada conduct negotiations on management and jurisdiction over offshore oil and gas exploration and development (the Pacific Accord).
- 1989** British Columbia makes a policy announcement that there will be no drilling offshore for at least five years (**provincial moratorium**). Canada announces it will not consider any development in the offshore until requested to by British Columbia.
- 2001** British Columbia appoints an independent scientific panel to examine whether offshore oil and gas can be extracted in a scientifically sound and environmentally responsible manner. An Offshore Oil and Gas Task Force visits nine northern coastal communities to listen to views of communities, local residents and First Nations.
- 2002** The scientific panel concluded: "*there is no inherent or fundamental inadequacy of the science or technology, properly applied in an appropriate regulatory framework, to justify a blanket moratorium on offshore oil and gas activities.*"

The task force concluded that Northern communities, including First Nations want to have a strong voice in the contemplation of offshore oil and gas. The panel and task force made

a number of recommendations of further work that needs to be done before any activity begins. In response, the Province of British Columbia enlisted the University of Northern British Columbia to carry out scientific and technical research and develop a work plan that responds to these recommendations.

**2003**

In 2003, Canada announced that it would take a three-pronged approach to its review of the moratorium, namely a scientific review, a public review process, and a First Nations engagement process. The Royal Society of Canada appointed an expert panel to carry out the science review. The panel identified a number of science gaps and made various recommendations (published as [Report of the Expert Panel on Science Issues Related to Oil and Gas Activities, Offshore British Columbia](#)). The panel, however, concluded that *“provided an adequate regulatory regime is in place, there are no science gaps that need to be filled before lifting the moratoria on oil and gas development.”*

The public review panel held public hearings in a number of communities/ cities on the West Coast of British Columbia (published as the [Review of the Federal Moratorium on Oil and Gas Activities Offshore British Columbia](#)). The public review reported on what it had heard; there was no analysis of the views put before the panel. A significant majority of those who participated in the process were opposed to lifting the moratorium, but the panel gave equal weight to an oral submission from government or a business or environmental group as to a person who signed a sheet supporting or opposing the lifting of the moratorium. The panel concluded that *“the strongly held and vigorously polarized views it received do not provide a ready basis for any kind of public policy compromise at this time in regard to keeping or lifting the moratorium.”* The panel set out four options for the government of Canada (from keeping the moratorium to lifting it), but made no specific recommendations on those options.

The engagement process with First Nations was completed and published as [RIGHTS, RISKS AND RESPECT: A First Nations Perspective on the Lifting of the Federal Moratorium on Offshore Oil & Gas Exploration in the Queen Charlotte Basin of British Columbia](#). The engagement process found that all participating First Nations felt that lifting the moratorium would not be in their best interests, but a small number qualified their response with “not at this time”.

**2007**

British Columbia in the new [BC Energy Plan](#) re-affirmed its commitment to offshore oil and gas exploration and development, its request to Canada to lift the federal moratorium and reiterated that the provincial moratorium will be lifted at the same time.