

# **Ministry of Energy and Mines**

---

## **2016/17 Annual Service Plan Report**

---



For more information on the Ministry of Energy and Mines contact:

**Deputy Minister's Office**  
PO BOX 9319, STN PROV GOVT  
VICTORIA, BC V8W 9N3

or visit our website at

<http://www.gov.bc.ca/ener/>

## Minister's Message and Accountability Statement



The Ministry of Energy and Mines plays a critical role in supporting responsible industrial development. This annual report highlights the Ministry's efforts during 2016/17 to support mining and mineral exploration and development, electricity generation, distribution and conservation in B.C.

B.C.'s electricity system provides affordable, clean and reliable power, helping to foster economic growth. The Site C Clean Energy Project is critical to ensure this competitive advantage continues for future generations. Site C is currently on time and on budget, and is also providing significant economic development benefits. As of March 2017, there were 2,252 workers on the project, 81 percent of whom were from B.C.

In 2016/17, B.C. approved \$580,000 in Innovative Clean Energy Fund energy efficiency initiatives to increase industry capacity to build high performance buildings, provide energy use and conservation assessment services for homeowners, support building energy benchmarking, develop innovative tools to verify compliance with building code energy efficiency requirements, and extend support for the provincial oil furnace to heat pump conversion incentive.

Mining is a key industry in B.C. As part of government's response to the Mount Polley tailings storage facility breach, the Ministry recently completed a review of the "Health, Safety and Reclamation Code for Mines in British Columbia" (Code). The government committed to implementing the recommendations of the Independent Expert Panel and those that were made by the Chief Inspector of Mines that investigated the tailings storage facility failure. These updates to the Code, which came into force July 20, 2016, have made our standards for tailings storage facilities as good as those anywhere in the world. The implementation of the seven recommendations from the Independent Expert Panel's investigation into the Mount Polley tailings pond breach is now complete.

In 2016/17, government established a Deputy Ministers Mining Compliance and Enforcement (C&E) Board (Board) to oversee C&E planning and delivery across B.C. in all aspects of mineral exploration and development. The Board also ensures greater integration between the Ministry of Energy and Mines, the Ministry of Environment, the Environmental Assessment Office and other agencies.

In accordance with the [Budget Transparency and Accountability Act](#), the *Ministry of Energy and Mines 2016/17 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2016/17 - 2018/19 Service Plan*. I am accountable for those results as reported.

A handwritten signature in black ink, consisting of a stylized 'R' and 'C' followed by a horizontal line.

Honourable Rich Coleman  
Minister of Energy and Mines  
June 20, 2017

**Table of Contents**

Minister’s Message and Accountability Statement..... 3

Purpose of the Ministry ..... 5

Strategic Direction and Context ..... 5

Report on Performance ..... 6

    Goals, Objectives, Strategies and Performance Results ..... 6

Financial Report ..... 14

    Financial Report Summary Table ..... 14

Appendix A – Contact Information and Hyperlinks ..... 15

    Contact Information ..... 15

Appendix B – List of Crowns, Agencies, Boards and Commissions ..... 16

Appendix C – Minister’s Mandate and Actions Summary ..... 17

## Purpose of the Ministry

The [Ministry of Energy and Mines](#) (Ministry) is responsible for B.C.'s electricity, alternative energy, mining and mineral exploration sectors. These sectors are made up of diverse interests that explore for and produce coal and other valuable minerals, and that develop electricity, clean or renewable energy sources, including biomass, biogas, geothermal, hydro, solar, ocean, wind and low-carbon transportation fuels. Through teamwork and positive working relationships with its clients and stakeholders, the Ministry facilitates thriving, safe, environmentally responsible and competitive energy and mining sectors in order to create jobs and economic growth in communities across the province. In fulfilling its mandate, the Ministry consults with other ministries and levels of government, energy developers and marketers, mineral exploration and mining companies, First Nations, communities, environmental and industry organizations, and the public. The Ministry assists the Minister in his oversight of the following Crown corporations: [British Columbia Hydro and Power Authority](#) (BC Hydro); [Columbia Power Corporation](#); and the [Columbia Basin Trust](#).

## Strategic Direction and Context

Former Minister Bennett's [Mandate Letter](#) from Premier Christy Clark, dated July 30, 2015, included a number of key deliverables relating to electricity policy, intergovernmental relations, as well as mining policy, mineral exploration and development. The government's strategic priority of a strong economy was directly supported by Ministry Goals one and two, while Goal three supported the strategic priority of a secure tomorrow. The Ministry supports the direction in the [Taxpayer Accountability Principles](#) for citizen focused service and respectful communication with clients and the public. The Ministry annually assesses the external risks and opportunities within the context described below as part of its strategic planning process.

During 2016/17 government priorities were: maximizing the economic value of energy development to British Columbians, reducing its environmental impact, and keeping the province's electricity rates affordable. The Ministry focused on increasing product and appliance efficiency, reducing the carbon intensity of transportation fuels, expanding electric vehicle infrastructure, and coordinating with utilities on programs to reduce energy use and power bills. The Ministry strived to ensure that British Columbians continued to receive benefits from the low-cost electricity generated through the province's heritage assets.

Mining remained a key driver of B.C.'s economy in 2016/17. More than 30,000 people work in mineral exploration, mining and related sectors, which include non-metallic mineral product and primary metal manufacturing. Mineral exploration creates jobs and business opportunities throughout the province. Between 2011 and 2016, over \$2 billion was spent on B.C. exploration projects.

Commodity prices improved significantly in 2016/17 following the downturn in the global mining sector in 2015/16. Preliminary estimates from Natural Resources Canada show that mining capital investment in B.C. remained strong in 2016/17, with approximately \$696 million spent on mine complex development, an increase of \$132 million (23 percent) compared to 2015/16. This increase was attributed to the development of the Brucejack and Silvertip mines. During 2016/17, government continued to implement significant changes to mining regulation and oversight in the province following the tailings storage facility breach at the Mount Polley mine in August 2014.

## Report on Performance

The former Minister's July 2015 Mandate Letter contained direction from the Premier to meet specific electricity and mining policy objectives. Appendix C provides a report on how each of these objectives was met.

The Ministry's 2016/17 goals supported the Taxpayer Accountability Principles by focusing on outcomes for citizens and effective communication. The Major Mine Permitting Office exemplifies the principles of service, efficiency and accountability to government and industry. During 2016/17, it led a number of successful mine permitting review processes and is continuing its work with industry proponents, First Nations, stakeholders and other levels of government to ensure that co-ordinated, timely and enduring decisions continue to be delivered for major mining projects in B.C. The Ministry's responses to the tailings storage facility breach at the Mount Polley mine demonstrated integrity, transparency and ethics. During 2016/17, former Minister Bennett and the Deputy Minister met regularly with BC Hydro's Chair and CEO to discuss Ministry objectives and BC Hydro's strategic priorities, and to ensure the alignment of BC Hydro's activities with the spirit and intent of the Taxpayer Accountability Principles. Similar meetings occurred with Columbia Power Corporation and the Columbia Basin Trust.

## Goals, Objectives, Strategies and Performance Results

The Ministry's 2016/17 Goals directly supported the BC Jobs Plan, the Minister's July 2015 Mandate Letter, and government's strategic priorities. Goal one focused on job creation and economic growth and Mandate Letter item 14 to foster mineral exploration and development in B.C. Goal 2 supported the strategic priorities of a strong economy and a secure tomorrow as well as Mandate Letter item 13 to keep rates as low as possible for British Columbians while continuing to invest in new generation and critical infrastructure upgrades. Goal three supported safe communities under the strategic priority of a secure tomorrow and Mandate Letter item 10 to ensure the recommendations of the Mount Polley Independent Expert Panel are acted upon, and Mandate Letter item 11 to work with the Mining Associations of British Columbia and Canada to restore public confidence in B.C.'s tailings pond regulatory framework.

### ***Goal 1: A Globally Competitive Mining Sector that Creates Jobs and Grows the Economy***

#### **Objective 1.1: New Mineral Resource Projects that Support the Creation of Family-supporting Jobs in B.C.**

##### **Strategies**

Key strategies for this objective:

- Implement the Major Mines Permitting Office<sup>1</sup> to improve the coordination of major mine permits across government and for timely high quality review of mines;
- Continue to develop a coordinated, transparent and predictable permitting and approval process for all industrial projects, including natural resource development projects;

<sup>1</sup> This is now known as the Major **Mine** Permitting Office. The reference to Major **Mines** Permitting Office in several instances reflects 2016/17 Service plan content and the former Minister's 2015 Mandate Letter item 5.

- Continuously improve geological and resource assessments for geothermal, coal, minerals and aggregate through collaboration with industry, associations, and academic and research institutes;
- Work closely with the Ministry of Jobs, Tourism and Skills Training to ensure that skills gaps in the workforces of the mineral exploration and mining sectors are identified and filled;
- Support the development of roads and other infrastructure required for industrial activity, including new mines and mine expansions.

**Performance Measures 1 and 2: Number of New and Expanded Mines**

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target†	2018/19 Target
Number of new mines permitted each year	1	2	3	0	2	2
Number of expansions to existing mines permitted each year	0	3	2	5	2	2

Data Source: Ministry of Energy and Mines, internal tracking system.

† This performance measure was revised in the 2016/17 Service Plan because the BC Jobs Plan sets targets only until the end of 2015/16.

**Discussion**

These targets were adapted from commitments in the [BC Jobs Plan](#), which set targets to the end of 2015. These targets estimate the expected growth in the mining sector each year beyond 2015. In the Ministry’s 2017/18 Service Plan, the 2017/18 and 2018/19 targets for the number of new mines permitted each year was revised downwards from three to two mines. The new targets for two new mines permitted each year are representative of the Ministry’s estimate of the expected growth in the mining sector for the stated years. Although the Ministry exceeded the target for expansions to existing mines permitted in 2016/17, low commodity prices in 2015/16 impacted the rate and timing of permit applications for new mines. During periods of low commodity prices, it is difficult for mining companies to raise the significant amount of capital required for new mine developments. Mine expansions typically require less capital investment and are planned years in advance in order to maintain production levels.

**Objective 1.2: B.C. is Positioned as an Attractive Jurisdiction for Investment in the Mining Sector and Related Businesses**

**Strategies**

Key strategies for this objective:

- Further establish B.C. as a recognized centre of excellence for mining expertise, innovation and technology in collaboration with industry, post-secondary institutions, the federal government and provincial agency partners;
- Improve the competitiveness of B.C.’s mining sector by providing leadership, information, investing in infrastructure, and developing new policies, regulations and programs;

- Continue government’s commitment to competitive taxation regimes to support the exploration sector;
- Conduct geoscience research and technical assessments to promote industry investment;
- Continue to work with the Ministry of Forests, Lands and Natural Resource Operations to sustain an average 60-day turnaround time for processing Notice of Work permit applications for mineral and coal exploration activities;
- Continue to work with the federal government to develop a single, effective environmental review process, maintaining the highest standards while eliminating costly and time-consuming duplication;
- Contribute to trade missions and marketing initiatives led by the Ministry of International Trade to attract investment in B.C. mineral projects and business opportunities;
- Work with the Government of Alaska to implement the Memorandum of Understanding and Cooperation between the state and province.

**Performance Measure 3: Average Turnaround Time for Notices of Work Issued by the Ministry**

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Turnaround time for Notices of Work	40 days	41 days	Under 60 days	37 days	Under 60 days	Under 60 days

Data Source: Ministry of Energy and Mines.

**Discussion**

The Ministry’s regional offices accept permit applications under the *Mines Act* for exploration and small-scale mining activities called “Notices of Work.” This performance measure and its targets supported commitments from the BC Jobs Plan. Processing times are also a measure of competitiveness. The target is to maintain an average 60-day turnaround time for Notices of Work as committed to in the BC Jobs Plan. This includes all sand and gravel, placer, industrial mineral and rock quarries, as well as mineral and coal exploration. Tracking Notice of Work turnaround time helps the Ministry assess its progress in streamlining its authorization processes, and in providing efficient, predictable, comprehensive and transparent permit application review services. The 2016/17 Notice of Work turnaround time of 37 days exceeded the target.

**Objective 1.3: Optimal Revenue from the Development of B.C.’s Mineral Resources**

**Strategy**

Key strategy for this objective:

- Provide the government services needed to respond to industry needs, in particular delivering sound, timely decisions on exploration and mining, and related water, Crown land and other permits, authorizations and tenures.



## **Objective 1.4: Efficient and Effective Mining Policy, Legislation and Regulation in the Public Interest of British Columbians**

### **Strategies**

Key strategies for this objective:

- In cooperation with other levels of government, continue to review legislation and regulations to ensure B.C. remains competitive, while enhancing the integrity of environmental, health and safety standards;
- In consultation with other ministries and stakeholders, develop and implement new acts and regulations that support the responsible development and use of mineral and coal resources;
- Work with the Mining Associations of British Columbia and Canada to restore public confidence in B.C.'s tailings pond regulatory framework;
- Implement recommendations from the Mount Polley Independent Expert Panel Review Report and the Chief Inspector of Mines' Investigation Report through changes to the tailings portion of the Health, Safety and Reclamation Code for Mines in B.C.

## ***Goal 2: Affordable, Reliable and Diverse Sources of Energy, Serving British Columbians, their Communities, and Sustaining Competitive Businesses and Industries***

### **Objective 2.1: Electricity Policy, Programs, Legislation and Regulation that Serve the Public Interest of British Columbians**

#### **Strategies**

Key strategies for this objective:

- Ensure any negotiations on the Columbia River Treaty reflect the B.C. position on the future of the Treaty;
- Develop and implement policies to ensure reliable electricity supply through mandatory reliability standards and participation in the Western Electricity Coordinating Council;
- Implement the 10 Year Rates Plan for BC Hydro in order to keep rates as low as possible for British Columbians while continuing to invest in new generation and critical infrastructure upgrades;
- Implement the recommendations of the BC Utilities Commission (BCUC) core review;
- Continue to work with BC Hydro and Clean Energy BC to identify further opportunities for clean energy producers in B.C.

**Objective 2.2: British Columbia’s Economic and Environmental Priorities are Served Through Sustainable Energy Use and Development Across all Sectors of the Economy**

**Strategies**

Key strategies for this objective:

- Work with all public and private stakeholders to continue development and implementation of policies, programs, regulations, codes and standards to advance energy efficiency and conservation;
- Support energy utilities with the planning and implementation of coordinated, cost effective demand-side management (DSM) measures;
- Work with BC Hydro to deliver the Site C project on time and on budget;
- Participate in and support long-term clean energy planning initiatives at the regional and national level, including the Pacific Coast Collaborative, Pacific NorthWest Economic Region, and Canadian Energy Strategy.

***Performance Measure 4: Ranking of BC Hydro Residential Monthly Bills Compared to North American Jurisdictions***

<b>Performance Measure</b>	<b>2014/2015 Actual</b>	<b>2015/16 Actual</b>	<b>2016/17 Target</b>	<b>2016/17 Actual</b>	<b>2017/18 Target</b>	<b>2018/19 Target</b>
Ranking of BC Hydro residential monthly bills (1000 kWh use)	3 <sup>rd</sup> lowest	3 <sup>rd</sup> lowest	3 <sup>rd</sup> lowest	5 <sup>th</sup> lowest	3 <sup>rd</sup> lowest	3 <sup>rd</sup> lowest

Data Source: BC Hydro annual filings with the BCUC.

**Discussion**

This measure provides a comparison of BC Hydro's monthly bills and average prices for residential customers with other North American utilities including those in Alberta, Quebec, Ontario, Manitoba, Washington, Oregon and California in Canadian funds as of April 1, 2016. The measure has been updated from the previous year when 625 kilowatt-hours (kWh) was used, as 1,000 kWh is closer to the B.C. residential average. This measure was chosen to provide comparisons with other jurisdictions in support of Mandate Letter item 13 for BC Hydro to keep rates as low as possible for British Columbians. The Ministry did not meet the 2016/17 target. BC Hydro’s ranking fell from third to fifth because residential rates in Edmonton and Calgary, which are linked to Alberta’s market price, fell as the market price hit historical lows. In five of the last seven years, Alberta’s residential rates have been significantly higher than BC Hydro’s current rate.

**Performance Measure 5: Cumulative Energy Savings Achieved Each Year Through Utility and Provincial Conservation Policies, Programs and Regulations**

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Cumulative energy savings achieved each year through energy utility and provincial conservation policies, programs, and regulations since 2007/08 <sup>1</sup>	26,539,250	32,678,814	36,950,404	36,693,220	41,273,664	45,227,202

Data Source: Utilities' annual reports and internal tracking by the Ministry of Energy and Mines. <sup>1</sup>Measured in Gigajoules to include both gas and electricity savings. The savings from energy utilities are from BC Hydro, FortisBC Electric and FortisBC Gas. Data on conservation rates is from BC Hydro and FortisBC Electric. FortisBC stats are based on calendar year due to reporting differences.

**Discussion**

This measure reports cumulative energy savings achieved each year through the LiveSmart BC energy efficiency incentive program, utility DSM programs, conservation rates, and regulated codes and standards, starting in 2007/08. The measure is an indicator of the energy efficiency and conservation policies of the BC Energy Plan of 2007, as well as B.C.'s *Clean Energy Act* objectives for BC Hydro, and natural gas savings resulting from FortisBC Gas efficiency and conservation initiatives. Since this measure is cumulative, no benchmark is available. Targets are set based on planned utility and government programs, codes and standards, and spending.<sup>1</sup> The 2016/17 target was substantively met, with underperformance on annual savings at FortisBC being made up partially by BC Hydro exceeding its targets.

**Goal 3: Safe, Environmentally and Socially Responsible Electricity, Alternative Energy and Mineral Resource Development and Use**

**Objective 3.1: Practices that Protect Workers, the Public and the Environment**

**Strategies**

Key strategies for this objective:

- Ensure the recommendations of the Mount Polley Independent Expert Panel Review Report and the Chief Inspector of Mines' Investigation Report are actioned and revisions to the Code are in place in 2016;

<sup>1</sup> BC Hydro's energy savings are drawn from its DSM plan and align with recommendations from the 2013 Integrated Resource Plan approved by the government on November 26, 2013. These savings targets have been reduced primarily due to electricity market conditions. The targets are based on recent annual savings achievements.

- Work with industry and other natural resource sector agencies to improve environmental and safety regulation compliance at mine sites through inspections and audits;
- Continue to support the annual British Columbia Mine Reclamation Awards to recognize outstanding achievements in mine reclamation in this province;
- Support mine rescue competitions and the annual Mines Safety Awards;
- Work with BC Hydro to upgrade the Province's heritage generation, transmission and distribution assets;
- Work with the ministries of Environment and Forests, Lands and Natural Resource Operations to develop options on a wildlife access corridor in Southeast B.C.

**Performance Measure 6: Mine Inspections by Ministry Staff**

Performance Measure	2014 Actual	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
Mine Inspections	1,228	1,203	1,250	1,335 <sup>2</sup>	1,300	1,300

**Discussion**

The Ministry's Mines Inspectors conduct inspections of mine sites to ensure compliance with the *Mines Act*, the Code, and individual permit conditions. This measure supports Mandate Letter item 11 as the Ministry's inspection regime will, if carried out consistently and effectively, increase public confidence in B.C.'s tailings pond regulatory framework. Inspections can be multi-faceted or specifically focused (for example on health and safety, permitting, reclamation, electrical, mechanical, geotechnical, etc.). The Ministry exceeded its 2016 target for the overall number of inspections conducted due to an increased focus on compliance verification activities combined with redirecting resources to conduct inspections.

**Objective 3.2: The Ministry, Stakeholders, First Nations and Industry are Engaged and Working Cooperatively for the Responsible Development and Use of B.C.'s Energy and Mineral Resources**

**Strategies**

Key strategies for this objective:

- Foster working relationships among industry, the public, First Nations and landowners by clarifying and simplifying resource exploration and development management processes, enhancing dispute resolution methods, and offering more support and information;
- Continue to collaborate with other ministries, agencies and Crown corporations to provide information to promote greater public understanding of the exploration and development of resources;
- Support the development and continuous improvement of Strategic Engagement Agreements with First Nations to make consultation processes more predictable;
- Work with the Ministry of Aboriginal Relations and Reconciliation on the Mining Dialogue with First Nations;

<sup>2</sup> Total inspection numbers for a given year are not considered final until the Annual Report of the Chief Inspector of Mines is released for that year.

- Work to ensure First Nations have the ability to participate in economic development opportunities arising from the construction of the Site C dam;
- Work with the Ministry of Aboriginal Relations and Reconciliation to continue to conclude mineral tax sharing agreements to encourage mine development across the province;
- Continue to support the annual Mining and Sustainability Award to recognize the diverse companies, communities, First Nations, non-governmental organizations, government agencies and individuals committed to advancing and promoting sustainable development in B.C. mining;
- Continue coordination of demand-side measures with utilities, other ministries and provinces, and the Pacific Coast Collaborative, to reduce energy use.

## Financial Report

### Financial Report Summary Table

Core Business	Estimated	Other Authorizations <sup>1</sup>	Total Estimated	Actual	Variance <sup>3</sup>
<b>Operating Expenses (\$000)</b>					
<b>Mines and Mineral Resources .....</b>	16,863	12,200	29,063	28,653	(410)
<b>Electricity and Alternative Energy .....</b>	2,967	1,412	4,379	4,331	(48)
<b>Executive and Support Services.....</b>	6,082	0	6,082	6,540	458
<b>Innovative Clean Energy Fund .....</b>	2,299	0	2,299	2,296	(3)
<b>Sub-Total .....</b>	<b>28,211</b>	<b>13,612</b>	<b>41,823</b>	<b>41,820</b>	<b>(3)</b>
<b>Adjustment of Prior Year Accrual<sup>2</sup> .....</b>	0	0	0	(4)	(4)
<b>Total</b>	<b>28,211</b>	<b>13,612</b>	<b>41,823</b>	<b>41,816</b>	<b>(7)</b>
<b>Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)</b>					
<b>Executive and Support Services.....</b>	755	0	755	697	(58)
<b>Total .....</b>	<b>755</b>	<b>0,000</b>	<b>755</b>	<b>697</b>	<b>(58)</b>

<sup>1</sup> "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies. The source of the Other Appropriations amounts is Contingencies access for: \$10M for Geoscience BC grant, \$2.2M for the Mount Polley incident, and \$1.412M for the Columbia River Treaty.

Amounts in this column are not related to the "estimated amount" under sections 5(1) and 6(1) of the *Balanced Budget and Ministerial Accountability Act* for ministerial accountability for operating expenses under the Act.

<sup>2</sup> The Adjustment of Prior Year Accrual of \$0.004 million is a reversal of accruals in the previous year.

<sup>3</sup> "Variance" represents "Actual" minus "Total Estimated." If the Actual is greater than the Total Estimated, the Variance will be displayed as a positive number. The Ministry planned underspending in Mines and Mineral Resources Division and Electricity and Alternative Energy Division as the Ministry funds corporate costs (for example legal) through Executive and Support Services.

## Appendix A – Contact Information and Hyperlinks

### Contact Information

#### Deputy Minister's Office

Eighth Floor, 1810 Blanshard Street  
PO Box 9319, Stn Prov Govt  
Victoria, BC V8W 9N3  
Ministry website: [www.gov.bc.ca/ener](http://www.gov.bc.ca/ener)

### Mines and Mineral Resources Regional Offices

#### Northwest

PO Box 5000  
Second Floor, 3726 Alfred Avenue  
Smithers, BC V0J 2N0  
Phone: 250-847-7383  
email: [MMD-Smithers@gov.bc.ca](mailto:MMD-Smithers@gov.bc.ca)

#### Central/Northeast

Third Floor, 1011 4th Avenue  
Prince George, BC V2L 3H9  
Phone: 250-565-4240  
email: [MMD-PrinceGeorge@gov.bc.ca](mailto:MMD-PrinceGeorge@gov.bc.ca)

#### South Central

Second Floor, 441 Columbia Street  
Kamloops, BC V2C 2T3  
Phone: 250-371-3912  
email: [MMD-Kamloops@gov.bc.ca](mailto:MMD-Kamloops@gov.bc.ca)

#### Southeast

202 - 100 Cranbrook Street North  
Cranbrook, BC V1C 3P9  
Phone: 250-417-6134  
email: [MMD-Cranbrook@gov.bc.ca](mailto:MMD-Cranbrook@gov.bc.ca)

#### Southwest

Third Floor, 1810 Blanshard Street  
PO Box 9320, Stn Prov Govt  
Victoria, BC V8W 9M9  
Phone: 250-387-4825  
email: [SouthwestMinesDivision@gov.bc.ca](mailto:SouthwestMinesDivision@gov.bc.ca)

#### Mineral Titles Branch

303 - 865 Hornby Street  
Vancouver, BC V6Z 2G3  
Phone: 1-866-616-4999

### Mineral Claims Inspectors

#### Kamloops

Second Floor, 441 Columbia Street  
Kamloops, BC V2C 2T3  
Phone: 250-371-3786

#### Smithers

PO Box 1389  
Houston, BC V0J 1Z0  
Phone: 250-845-3584

## **Appendix B – List of Crowns, Agencies, Boards and Commissions**

The Ministry is responsible for the following Crown corporations:

- BC Hydro: <https://www.bchydro.com/index.html>;
- Columbia Power Corporation: <http://columbiapower.org/>; and
- Columbia Basin Trust: <http://www.cbt.org/>.



## Appendix C – Minister’s Mandate and Actions Summary

In the Premier’s July 2015 Mandate Letter to the Minister, the Minister of Energy and Mines and Minister Responsible for Core Review received direction on strategic priorities for the 2016/17 fiscal year. These priorities and the Ministry’s resulting actions are summarized below:

Mandate Letter Direction	Ministry’s Action
1. Balance your ministerial budget in order to control spending and ensure an overall balanced budget for the Province of British Columbia.	<ul style="list-style-type: none"> <li>The Ministry operated within its fiscal 2016/17 budget.</li> </ul>
2. Work with the Ministry of Intergovernmental Affairs to ensure the Canadian negotiating position on the Columbia River Treaty is reflective of British Columbia’s position on any re-negotiation of the treaty.	<ul style="list-style-type: none"> <li>B.C. has been working closely with Canada in preparing for potential negotiations to ensure our common interests are represented and benefits to both British Columbians and Canadians are maintained.</li> <li>Global Affairs Canada’s public messaging is while Canada is the signatory for the Columbia River Treaty, B.C. is the functional lead in implementing, and negotiating any changes to, the Columbia River Treaty.</li> </ul>
3. Work with the Government of Alaska to achieve a mining Memorandum of Understanding on Mining between the state and province.	<ul style="list-style-type: none"> <li>MOU with Alaska signed November 2015.</li> <li>Statement of Cooperation signed by B.C. and Alaska October 6, 2016.</li> </ul>
4. Work with the Ministry of Aboriginal Relations and Reconciliation on the Mining Dialogue with First Nations that was committed following the Mount Polley Mine tailings pond collapse.	<ul style="list-style-type: none"> <li>The Province signed a LOU with Williams Lake and Soda Creek Indian Bands in August 2014 to ensure directly impacted First Nations are fully engaged in activities relating to the Mount Polley Mine breach.</li> <li>The Province allocated \$600,000 for First Nations funding for their engagement in a mining dialogue in 2016/17.</li> <li>The focus in 2016/17 was on the review of the current Environmental Assessment process, First Nations participation in the mine Code review and a review of Mineral Tenure.</li> </ul>
5. Implement the Major Mines <sup>1</sup> Permitting Office.	<ul style="list-style-type: none"> <li>The Major Mine Permitting Office (MMPO) has been established within MEM.</li> <li>MMPO has led a number of successful mine permitting review processes and is continuing its work with industry proponents, First Nations, stakeholders and other levels of government to ensure that coordinated, timely and enduring decisions continue to be delivered for major mining projects in B.C.</li> </ul>

<sup>1</sup>The name of the organization is now Major **Mine** Permitting Office

<p>6. Implement the recommendations of the BC Utilities Commission review.</p>	<ul style="list-style-type: none"> <li>• Government accepted all the Core Review Task Force Report’s recommendations, and the BCUC has developed a strategic information technology plan and staffing reorganization.</li> <li>• BC Hydro has submitted two applications to the BCUC - a Rate Design and a Revenue Requirements Application - which demonstrates regulation of BC Hydro’s rates by the BCUC.</li> </ul>
<p>7. Work with BC Hydro to deliver the Site C project on time and on budget.</p>	<ul style="list-style-type: none"> <li>• As of April 2017, activities and results are within the approved \$8.335 billion pre-reserve budget with no indication that the \$440 million project reserve will be required. BC Hydro has retained a prudent contingency for the current stage of the project.</li> </ul>
<p>8. Work with the Ministry of Aboriginal Relations and Reconciliation and BC Hydro to ensure First Nations have the ability to participate in economic development opportunities arising from the construction of the Site C dam.</p>	<ul style="list-style-type: none"> <li>• As of April 2017, BC Hydro had awarded four Impact Benefit Agreements with First Nations and three were in the process of being finalized. Negotiations were ongoing with one other First Nation.</li> </ul>
<p>9. Work with the ministries of Environment and Forests, Lands and Natural Resource Operations to provide options to Cabinet on a wildlife access corridor in southeast British Columbia.</p>	<ul style="list-style-type: none"> <li>• The development of options for Cabinet did not occur during 2016/17.</li> </ul>
<p>10. Ensure the recommendations of the independent Mount Polley Review Panel are acted upon and all mines have undertaken the actions recommended by the panel and required by government.</p>	<ul style="list-style-type: none"> <li>• As of April 2017, 22 of the 26 Independent Expert Panel’s and the Chief Inspector of Mines’ recommendations have been addressed.</li> <li>• Many recommendations were addressed through a government established Code Review Committee, chaired by the Chief Inspector of Mines and consisting of an equal number of representatives from First Nations, mine labour unions and industry.</li> <li>• The Code Review resulted in significant updates to the tailings storage facility requirements in the Code. After the updates, international engineering, geoscience and environmental consulting firm Klohn Krippen Berger completed a third-party comparison of mining legislation and guidelines in B.C., Montana and Alaska, finding B.C.’s requirements to be equal to or better than those in Montana or Alaska.</li> <li>• The changes to the Health and Safety portion of the Code came into force in February 2017.</li> </ul>

<p>11. Work with the Mining Associations of British Columbia and Canada to restore public confidence in British Columbia's tailings pond regulatory framework.</p>	<ul style="list-style-type: none"> <li>• A government established Code Review Committee, chaired by the Chief Inspector of Mines and consisting of representatives from First Nations, mine labour unions and industry, addressed a number of the recommendations made by the Mount Polley Independent Expert Panel and the Chief Inspector of Mines.</li> <li>• Changes to the Tailings Storage Facility and Health and Safety portions of the Code can give British Columbians confidence that this province's standards are as good as or better than anywhere in the world.</li> <li>• With these and other measures implemented over the last two years, compliance and enforcement for mining in B.C. is more robust and transparent than ever before.</li> </ul>
<p>12. Work with the Ministry of Aboriginal Relations and Reconciliation to continue to conclude mineral tax sharing agreements to encourage mine development across the province.</p>	<ul style="list-style-type: none"> <li>• As of April 2017, 24 Economic and Community Development Agreements (ECDAs) have been signed for the following projects: New Afton, Mt. Milligan, Elk Valley coal projects, Mount Polley expansion, Copper Mountain, Highland Valley Copper, Gibraltar expansion, Huckleberry, Quinsam Coal, Kitsault, Red Chris, and coal projects in the Northeast.</li> <li>• Negotiations towards further agreements were underway, including emergent mine projects such as Brucejack, Kemess Underground, Blackwater and Silvertip.</li> </ul>
<p>13. Report to Cabinet on the progress being made on the implementation of the 10 year electricity plan for BC Hydro in order to keep rates as low as possible for British Columbians while continuing to invest in new generation and critical infrastructure upgrades.</p>	<ul style="list-style-type: none"> <li>• The BCUC approved a rate increase of 4 percent effective April 1, 2016. On March 16, 2017, the BCUC approved an interim refundable rate increase of 3.5 percent, effective April 1, 2017.</li> <li>• BC Hydro submitted its full revenue requirements application to the BCUC in July 2016 in alignment with the 10 Year Plan.</li> <li>• Under the Plan, without Site C, BC Hydro is spending on average \$1.7 billion per year in capital investment from 2014 to 2024 and with Site C, \$2.4 billion.</li> </ul>
<p>14. Work with the Ministry of Finance and Geoscience BC to establish long-term, predictable funding to foster oil, gas and mineral exploration and development in B.C.</p>	<ul style="list-style-type: none"> <li>• Geoscience BC received its latest grant of \$10 million in March 2017.</li> </ul>

<p>15. Continue to work with BC Hydro and Clean Energy BC to identify further opportunities for clean energy producers in British Columbia.</p>	<ul style="list-style-type: none"><li>• The Ministry has worked with Clean Energy BC and BC Hydro to review the Standing Offer Program to preserve opportunities for small clean energy producers while achieving the cost savings required by the 10 Year Rates Plan (see #13 above). Activities completed include:<ul style="list-style-type: none"><li>○ Climate Leadership Plan (August 2016) included electrification initiatives which increase the demand for clean electricity;</li><li>○ Amendments to the Greenhouse Gas Reduction (Clean Energy) Regulation announced March 2, 2017;</li><li>○ Contractor (Power Advisory) selected for pricing review (December 2016); and</li><li>○ BC/BC Hydro/Clean Energy BC MOU Committee and Sub-committees continued to meet.</li></ul></li></ul>
---	--