

Ministry of Energy and Mines

2002/03-2004/05 Service Plan Summary

Mission

- The Ministry of Energy and Mines facilitates investment and responsible development of British Columbia's energy and mineral resources while monitoring environmental and public and worker health and safety standards.

Strategic Shifts

- The overall shift is from a regulatory and administrative approach to a focus on fostering a more competitive investment climate. Major shifts are:
 - From a lack of certainty for investors to attracting investment in existing and new subsurface and energy opportunities.
 - From a multi-agency permitting process to a single-window, full-authority permitting regime.
 - From process-based, prescriptive regulations to results-based regulations and performance-based compliance and enforcement models.

Core Business Areas

- Create strategic policy to build healthy and viable energy and mineral sectors and ensure British Columbians receive maximum benefits from the development of the resources.
- Increase investment in the province's energy and mineral sectors to generate more revenues to support vital public services such as health care and education.
- Provide corporate services to facilitate efficient functioning of the energy and mineral sectors.

Major Initiatives:

New energy policy, regulatory streamlining and other changes will be implemented to make British Columbia a globally competitive jurisdiction. The Ministry aims to establish British Columbia as a leading investment location in North America for oil and gas, energy and mining and mineral exploration and development. By facilitating increased investment, additional revenues can be generated to support vital public services such as health care and education.

The following are programs and services the Ministry will deliver more effectively and efficiently:

Single-window regulatory authorities

The Ministry will enhance the BC Oil and Gas Commission's single-window authorities to improve efficiency with a goal of doubling oil and gas production in British Columbia by 2008. As well, the Ministry will establish a single-window permitting regime for mining and mineral exploration and development.

Implement Long-term, Comprehensive Energy Policy

The Ministry will implement approved recommendations of the Energy Policy Task Force to ensure a sustainable energy sector over the long term that provides maximum benefits for all British Columbians.

Market and promote British Columbia's resources

The Ministry will develop a capacity to effectively market British Columbia's energy and minerals investment opportunities to domestic and international markets.

Underdeveloped resources (coalbed methane)

The Ministry will streamline regulation and implement an effective, industry-specific royalty regime to facilitate accelerated growth of the coalbed methane industry. The Ministry will also foster development of underutilized industrial minerals and undeveloped oil and gas opportunities.

Resource titles

The Ministry will continue to issue and administer titles to petroleum, natural gas, mineral, geothermal, and coal resources and implement e-commerce access.

Offshore oil and gas

The Ministry will implement government's policy decisions emerging from reports submitted by the scientific panel and Northern Caucus.

Health and safety

The Ministry will continue to regulate the mining sector to ensure public and worker health and safety, and environmental protection. The BC Oil and Gas Commission, an agency of the Ministry, will continue to regulate the oil and gas industry.

E-Commerce Process

Move to electronic application, permitting and map staking.

In addition, the Ministry will:

- eliminate the prospectors assistance program; and,
- move toward a focused geoscience program delivered in partnership with the private sector.

Ministry Resources

	Fiscal Year				Percentage Change
	Base 2001/02	2002/03	2003/04	2004/05	2001/02 to 2004/05
Operating Expenditures (\$m):					
• VIGAS Agreement (statutory) *	33.200	20.850	19.740	18.560	(44)
• All Other Programs	33.912	29.160	25.293	21.623	(36)
Total Operating Expenditures	67.112	50.010	45.033	40.183	(40)
FTEs	280	243	205	174	(38)

* VIGAS Subsidy payments based on natural gas price forecasts.

The new core business areas and major initiatives will help to streamline and focus the direction and operation of the Ministry of Energy and Mines. This means that the size and number of people employed with the Ministry will be reduced by 38 per cent.

The Ministry has six regional mining offices with the central agency located in Victoria. The number of staff in each of these offices will be reduced gradually over 2002-03 and 2003-04. By 2004, the majority of those regional operational functions will be consolidated into one central location. The Oil and Gas Commission will remain in Fort St. John.

Attachments

- See attachment for New Era commitments and major initiatives assigned by the Premier.

Attachment

Government Priorities relating to the Ministry of Energy and Mines(better format for header)



New Era Commitments Achieved

- Consider the Northern Development Commissioner's report on offshore oil and gas.
- Reviewed Power for Jobs program and eliminated it.

New Era Commitments Included in 02/03 – 04/05 Service Plan

- Increase access to Crown lands and resources and create jobs in mining, oil and gas, and other sectors.
- Encourage mineral exploration without allowing mining in parks.
- Oppose the Sumas 2 power project and phase out Burrard Thermal.
- Protect BC Hydro and all its core assets, including dams, reservoirs and power lines under public ownership.
- Restore an independent B.C. Utilities Commission, to regulate BC Hydro's electricity rates.
- Promote clean and renewable alternative energy sources like wind, thermal, solar, tidal, biomass and fuel-cell technologies.
- Encourage job creation from viable, independent power production projects that will increase benefits to consumers through greater competition.
- Participate in making B.C. a leader in electronic government.

Key Projects Included in 02/03 – 04/05 Service Plan

- Develop an energy policy that balances the economic development of our energy resources with the export and revenue opportunities they represent. Policy should address regulatory environment and government stewardship.
- Examine opportunities to further improve efficiency of the Oil and Gas Commission.
- Review the offshore oil report prepared by the Northern Development Commission and make recommendations, in conjunction with the Ministry of Water, Land and Air Protection and the Ministry of Sustainable Resource Management. Also review reports from the scientific panel and Northern Caucus on offshore oil and gas development.
- Actively support Ministry of Sustainable Resource Management to help achieve sustainable development of the province's land, water and resources while maintaining environmental, economic and social values.
- Cut unnecessary red tape by one third over the next three years.