



MINISTRY OF ENERGY AND MINES

The mission of the Ministry of Energy and Mines is to facilitate investment in the responsible development of British Columbia's energy and mineral resources to benefit British Columbians.

MINISTRY SUMMARY

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	Estimates 2003/04 ¹	Estimates 2004/05
VOTED APPROPRIATIONS		
Vote 20 — Ministry Operations.....	38,000	35,230
Vote 21 — Contracts and Funding Arrangements	38,840	28,560
OPERATING EXPENSE	<u>76,840</u>	<u>63,790</u>
PREPAID CAPITAL ADVANCES ²	—	—
CAPITAL EXPENDITURES ³	450	1,807
LOANS, INVESTMENTS AND OTHER REQUIREMENTS ⁴	50,000	50,000
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES ⁵	—	—
FULLTIME EQUIVALENT (FTE) EMPLOYMENT ⁶	213	242

NOTES

¹ For comparative purposes only, figures shown for 2003/04 expense, FTEs and capital expenditures have been restated to be consistent with the presentation of the 2004/05 *Estimates*. Schedule A presents a detailed reconciliation.

² Details of prepaid capital advances are presented in Schedule C.

³ Details of capital expenditures are presented in Schedule D.

⁴ Details of loans, investments and other requirements are presented in Schedule E.

⁵ Details of revenue collected for, and transferred to, other entities are presented in Schedule F.

⁶ Details of FTEs are presented in Schedule G.

CORE BUSINESS SUMMARY

\$000

	2003/04	2004/05 ESTIMATES		
OPERATING EXPENSE	Net	Gross	External Recoveries	Net
Core Business				
Oil and Gas	19,510	20,970	—	20,970
Mining and Minerals	10,510	7,868	—	7,868
Electricity and Alternative Energy	2,041	1,134	—	1,134
Executive and Support Services	5,939	5,258	—	5,258
Contracts and Funding Arrangements	38,840	28,560	—	28,560
TOTAL OPERATING EXPENSE	76,840	63,790	—	63,790
CAPITAL EXPENDITURES	Net	Disbursements	Receipts	Net
Core Business				
Oil and Gas	280	471	—	471
Mining and Minerals	94	1,026	—	1,026
Executive and Support Services	76	310	—	310
TOTAL CAPITAL EXPENDITURES	450	1,807	—	1,807
LOANS, INVESTMENTS AND OTHER REQUIREMENTS	Net	Disbursements	Receipts	Net
Core Business				
Contract and Funding Arrangements	50,000	50,000	—	50,000
TOTAL LOANS, INVESTMENTS AND OTHER REQUIREMENTS	50,000	50,000	—	50,000
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES	Net	Disbursements	Receipts	Net
Core Business				
Executive and Support Services	—	24,600	(24,600)	—
TOTAL REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES	—	24,600	(24,600)	—

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2003/04Estimates
2004/05

VOTE 20 — MINISTRY OPERATIONS

This vote provides for ministry programs and operations described in the voted appropriations under the following four core businesses: Oil and Gas, Mining and Minerals, Electricity and Alternative Energy, and Executive and Support Services.

OIL AND GAS

Voted Appropriations

Oil and Gas Division.....	13,870	15,170
Offshore Oil and Gas.....	5,640	5,800
	<u>19,510</u>	<u>20,970</u>

Voted Appropriations Description: This sub-vote provides for management of the province's natural gas and petroleum resources, including selling and administering petroleum and natural gas rights; facilitating infrastructure development to improve access to oil and gas resources; undertaking economic and financial analysis to develop policies and programs; identifying, stimulating and facilitating development opportunities; providing information to the public; streamlining provincial regulations that apply to the oil and gas sector; representing the province's interests before energy regulatory tribunals; and developing and maintaining petroleum geology databases. This sub-vote also provides for assessment and implementation of offshore oil and gas exploration and development, including negotiating necessary fiscal regulatory and environmental management arrangements with the federal government.

MINING AND MINERALS

Voted Appropriation

Mining and Minerals	<u>10,510</u>	<u>7,868</u>
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Voted Appropriation Description: This sub-vote provides for management of the province's mining resources and regulation of the industries that explore for and develop these resources by regulating mineral, coal, industrial mineral and aggregate industries for health and safety and environmental responsibility, including promoting the mining industry; issuing and administering mineral exploration and mining tenures; permitting exploration and mining operations; enforcing provincial legislation and regulations; reviewing and developing legislation, regulations and policies; providing a regulatory framework to protect the public interest; providing information to the public; developing and delivering geo-science databases; working with industry to collect and publish baseline geo-science information; providing assistance and advice to prospectors and exploration companies; and undertaking economic and financial analysis to provide measures to enhance exploration and mining investment attractiveness.

ELECTRICITY AND ALTERNATIVE ENERGY

Voted Appropriation

Electricity and Alternative Energy	<u>2,041</u>	<u>1,134</u>
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Voted Appropriation Description: This sub-vote provides for development of legislation, policies and programs to support all forms of electrical power generation, alternative energy sources, energy conservation and efficiency measures, and leading edge technologies, including providing policy advice or direction to electric utilities and the regulator, the British Columbia Utilities Commission; fostering private sector investment in new electricity resources; and providing resource information and support for independent power producers.

OPERATING EXPENSE BY CORE BUSINESS (Continued)

\$000

	Estimates 2003/04	Estimates 2004/05
EXECUTIVE AND SUPPORT SERVICES		
Voted Appropriations		
Ministers' Office	481	831
Corporate Services	4,288	3,475
External Relations	1,170	952
	<u>5,939</u>	<u>5,258</u>
<p>Voted Appropriations Description: This sub-vote provides for the offices of the Minister of Energy and Mines and the Minister of State for Mining, and includes salaries, benefits, allowances and operating expenses for the ministers and the ministers' staff; and administration and ministry executive support, including the deputy minister's office, external relations, strategic human resources and correspondence, and aboriginal policy and programs. Under an agreement, the Ministry of Small Business and Economic Development provides administrative support services to the ministry.</p>		
VOTE 20 — MINISTRY OPERATIONS	38,000	35,230

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2003/04Estimates
2004/05

VOTE 21 — CONTRACTS AND FUNDING ARRANGEMENTS

This vote provides for programs and operations described in the voted appropriations under the Contracts and Funding Arrangements core business.

CONTRACTS AND FUNDING ARRANGEMENTS

Voted Appropriations

Resource Revenue Sharing Agreements.....	2,500	2,500
Vancouver Island Natural Gas Pipeline Agreement.....	34,340	24,060
Columbia Basin Accord	2,000	2,000
	<u>38,840</u>	<u>28,560</u>

Voted Appropriations Description: This sub-vote provides for transfers to First Nations, to share revenue received from petroleum, natural gas, and minerals extraction in accordance with the federal/provincial agreement, as specified under the *Fort Nelson Indian Reserve Minerals Revenue Sharing Act* and agreements with other First Nations; to the Columbia Basin Trust for a portion of operating expenses; and for payments required under the Vancouver Island Natural Gas Pipeline Agreement.

VOTE 21 — CONTRACTS AND FUNDING ARRANGEMENTS

38,840

28,560

MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY

GROUP ACCOUNT CLASSIFICATION

Salaries and Benefits	17,725	16,774
Operating Costs	17,161	15,182
Government Transfers	41,287	31,834
Other Expenses.....	667	—
TOTAL OPERATING EXPENSE	<u>76,840</u>	<u>63,790</u>

LOANS, INVESTMENTS AND OTHER REQUIREMENTS BY CORE BUSINESS

\$000

	Estimates 2003/04	Estimates 2004/05
CONTRACT AND FUNDING ARRANGEMENTS		
COLUMBIA BASIN ACCORD — Disbursements are for an investment in the Columbia Power Corporation and the Columbia Basin Trust for power projects to be undertaken pursuant to the province's agreements with the Columbia Basin Trust.		
Receipts	—	—
Disbursements	50,000	50,000
Net Cash Source (Requirement)	(50,000)	(50,000)

REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES BY CORE BUSINESS

\$000

	Estimates 2003/04	Estimates 2004/05
EXECUTIVE AND SUPPORT SERVICES		
OIL AND GAS COMMISSION ACT — Disbursements are provided by the province to the Oil and Gas Commission under the <i>Oil and Gas Commission Act</i> with respect to oil and gas industry fees collected on behalf of the Commission under the <i>Petroleum and Natural Gas Act</i> and the <i>Pipeline Act</i> , and the levy assessed and collected on behalf of the Commission under the Oil and Gas Commission Levy Regulation.		
Receipts	17,800	24,600
Disbursements	17,800	24,600
Net Cash Source (Requirement)	—	—