

**Ministry of  
Energy, Mines and  
Low Carbon Innovation**

**2022/23 – 2024/25  
SERVICE PLAN**

**February 2022**



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## Minister's Accountability Statement



The *Ministry of Energy, Mines and Low Carbon Innovation 2022/23 – 2024/25 Service Plan* 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.

A handwritten signature in blue ink, appearing to read "Bruce Ralston", with a long horizontal flourish extending to the right.

Honourable Bruce Ralston  
Minister of Energy, Mines and Low Carbon Innovation  
February 4, 2022

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## Purpose of the Ministry

The [Ministry of Energy, Mines and Low Carbon Innovation](#) (Ministry) is responsible for British Columbia's (B.C.'s) electricity, alternative energy, hydrogen, oil, natural gas and related infrastructure, and the province's mining and mineral exploration sectors. These sectors are made up of diverse interests that explore for and produce oil, natural gas, coal, and other valuable minerals and that develop energy and electricity generation, transmission and distribution infrastructure. To support Government's coordinated climate, energy and economic objectives, the Ministry focuses on advancing energy efficiency and clean or renewable energy sources and technologies, making sure that the energy we use, develop and export is the cleanest possible.

The Ministry facilitates electricity, mining and oil and gas sectors which are globally competitive, demonstrate leading environmental practices, and advance reconciliation with Indigenous peoples, while providing opportunities and quality jobs for British Columbians and a fair return on resources to support the province's economic recovery following the COVID-19 global pandemic.

The Ministry carries out this work in support of the [CleanBC plan and Roadmap to 2030](#), as well as commitments to Indigenous reconciliation. In fulfilling its mandate, the Ministry consults and collaborates with other ministries and levels of government, private sector stakeholders, Indigenous people, communities, regulators, environmental and industry organizations, and the public.

The Ministry supports the Minister in discharging responsibilities for the following Crown Corporations: [British Columbia Hydro and Power Authority](#) (BC Hydro), the [BC Oil and Gas Commission](#) (OGC), and is also responsible for the [Assayers Certification Board of Examiners](#).

## Strategic Direction

In 2022/2023, the Government of British Columbia will continue its whole-of-government response to the COVID-19 pandemic with a focus on protecting the health, social and economic well-being of British Columbians. Building on our economic, environmental, and social strengths while looking to seize opportunities to improve outcomes for all British Columbians will be an important aspect of each ministry's work as we respond to COVID-19 and recover from devastating floods and wildfires. The policies, programs and projects developed over the course of this service plan period will align with the five foundational principles established by Government in 2020: putting people first; working toward lasting and meaningful reconciliation; supporting equity and anti-racism; ensuring a better future through fighting climate change and meeting our greenhouse gas reduction targets; and supporting a strong, sustainable economy that works for everyone. This 2022/23 service plan outlines how the Ministry of Energy, Mines and Low Carbon Innovation will support the government's priorities including the foundational principles listed above and selected action items identified in the [November 2020 Minister's Mandate Letter](#).

## Performance Planning

**Goal 1: An innovative, low carbon energy portfolio that advances CleanBC economic opportunities across all sectors.**

**Objective 1.1: Accelerate efforts to decarbonize B.C.’s energy sectors and usage to support the provincial CleanBC plan.**

### Key Strategies

- Work with Canada and stakeholders to expand electrification of industries of all sizes across sectors to fast-track their efforts to go green.
- Ensure the carbon-intensity of transportation fuels is reduced through the Low Carbon Fuel Standard.
- Continue to incorporate direction from the CleanBC plan and CleanBC Roadmap to 2030 into ministry legislation, policies, programs, and operations to meet provincial energy, economic and climate goals.
- Work with BC Hydro to ensure the Province’s generation, transmission and distribution assets continue to deliver reliable and cost-effective service.
- Implement the B.C. Hydrogen Strategy.
- Work with the Ministry of Transportation and Infrastructure to develop a Clean Transportation Action Plan for 2023, that takes an “efficiency first” approach to decarbonizing the transportation sector, and that focuses on five pillars: reduce distance travelled, increase mode shift, improve vehicle efficiency, adopt zero-emission vehicles, use clean fuels.
- Continue to implement legislation and policies to advance energy efficiency and zero-emission vehicles in the transportation sector, including increasing light-duty vehicle targets, and establishing targets for other vehicle weight classes, under the *Zero-Emissions Vehicle Act* and Regulation.

Performance Measure(s)	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
1.1 Clean, renewable and low carbon energy as a share of total utility and transportation energy sales <sup>1</sup>	31%	32%	33%	34%

Data Source: Compiled by the Ministry of Energy, Mines and Low Carbon Innovation and includes data from BC Hydro.

<sup>1</sup> The following data is tracked to provide the performance measure: BC Hydro’s performance in clean procurement; FortisBC’s performance in deploying Renewable Natural Gas; relative sales of electricity and natural gas using data from the largest utilities; and transportation fuels data.

## Linking Performance Measure to Objective

The provincial energy objectives in the CleanBC plan confirm the role of electricity and BC Hydro in reducing greenhouse gas (GHG) emissions where it displaces higher carbon energy sources. This performance measure supports the objective of decarbonization, as the Ministry’s programs and regulations directly impact energy utilities and the transportation fuels industries.

### Objective 1.2: Quality programs and incentives that encourage British Columbians to choose greener homes, buildings and transportation.

#### Key Strategies

- Increase affordability and accessibility of clean transportation options through GoElectric program investments in public awareness, skills training, advanced research and commercialization, home and workplace charging rebates, public charging and hydrogen fuelling infrastructure, fleets, vehicle rebates across all vehicle classes, and commercial vehicle pilots.
- Introduce income-based rebates for new Zero Emission Vehicles (ZEVs).
- Work with utility, private and public partners to complete B.C.’s Electric Highway by 2024, ensuring geographic connectivity for EVs across all highways and major roads in B.C., and to install 10,000 public chargers by 2030.
- Enhance utility and provincial energy efficiency programs through improved accessibility, alignment with CleanBC and increased supports for low-income households.
- Continue to implement legislation and policies to advance energy efficiency and conservation in the built environment, including energy efficiency standards and a system to provide energy efficiency information on listed homes.

Performance Measure(s)	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
1.2 Zero-Emission Vehicle sales per cent of new light-duty vehicle sales.	10%	12%	14%	18%

Data Source: Compiled by Ministry of Energy, Mines and Low Carbon Innovation staff from BC Hydro, ICBC and ZEV sales. Transport Canada defines a light-duty vehicle as one that weighs 3,856kg (8,500lbs) or less.

## Linking Performance Measure to Objective

Transportation currently accounts for 38 per cent of B.C.’s total GHG emissions. As a result, to reduce GHG emissions and meet [B.C.’s climate targets](#), significant and sustained action needs to be taken to reduce GHG emissions from light, medium and heavy-duty vehicles. Increased adoption of light duty ZEVs will contribute to reductions in B.C.’s GHG emissions and improve air quality. This performance measure supports progress towards Government’s target of increasing the number of light duty ZEVs in B.C., reaching 100% of all new light-duty vehicle sales by 2035.

**Goal 2: A sustainable and competitive mining sector that supports Indigenous reconciliation, reflects high environmental, social and governance (ESG) standards and contributes to the transition to a low carbon economy with responsibly produced minerals and metals.**

**Objective 2.1: A strong, innovative mining sector that positions B.C. as a desirable and responsible jurisdiction for investment.**

**Key Strategies**

- Explore the potential implementation of a Mining Innovation Hub to support training in new technology, low carbon approaches, environmental management and regulatory excellence.
- Continue to implement the recommendations of the Mining Jobs Task Force.
- To support reconciliation with Indigenous peoples, continuously improve consultation and engagement processes on relevant permit applications and supporting work on strategic agreements for major mine developments.
- Continue to improve the approvals process for mining applications by implementing new governance and process approaches to major mines and regional operations.

<b>Performance Measure(s)</b>	<b>2021/22 Forecast</b>	<b>2022/23 Target</b>	<b>2023/24 Target</b>	<b>2024/25 Target</b>
2.1 B.C.’s share of Canadian mineral resource development investments	16%	17%	18%	19%

Data Source: Ministry of Energy, Mines and Low Carbon Innovation and Natural Resources Canada

**Linking Performance Measure to Objective**

The Ministry continuously strives to attract long-term investment in B.C.’s mining sector and related service industries. Government can help to reduce risk and sustain investment levels through streamlined processes for mine project permitting, and this performance measure reflects B.C.’s efforts to achieve its objective.



**Objective 2.2: Oversight of the mining industry is continuously improved to protect the environment, health and safety, and the public interest.**

**Key Strategies**

- Continue to review legislation and regulations to enhance the integrity of environmental, climate, health and safety standards.
- Ensure that owners of mining and exploration projects are bonded and responsible for environmental clean up costs associated with any abandoned projects.
- Continue implementing the newly created audit function to evaluate the effectiveness of the regulatory framework for mining in B.C.
- Implement actions in response to audit recommendations to support continuous improvement of the mining regulatory framework.
- Continue the work of the Code Review Committee to ensure the Health, Safety and Reclamation Code for Mines in B.C. is responsive to emerging trends and changing standards of practice and contributes to reconciliation with Indigenous nations.
- Ensure timely communication about health and safety incidents to support continuous improvement opportunities for mine operators.

Performance Measure(s)	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
2.2 Minimum mine inspections	1,600	1,600	1,600	1,600

Data Source: Manually compiled by Ministry of Energy, Mines and Low Carbon Innovation.

**Linking Performance Measure to Objective**

The Ministry’s Mines Inspectors conduct inspections of mine sites to promote operator awareness of regulatory requirements, to verify compliance with the *Mines Act*, the Health, Safety and Reclamation Code for Mines in B.C., and individual permit conditions, and to take enforcement action as necessary. Inspections are a key compliance verification tool to ensure the protection of the environment, human health and public safety.

**Goal 3: B.C.’s oil and gas industry reduces its carbon footprint in a manner that supports economic sustainability, advances Indigenous reconciliation and exhibits high environmental, social and governance (ESG) performance.**

**Objective 3.1: Policies, technologies and processes that support the reduction of greenhouse gas (GHG) emissions in the oil and gas sector.**

This Objective supports Government’s climate goals and the implementation of the CleanBC Roadmap to 2030 in relation to the oil and gas sector.

**Key Strategies**

- Work with the BC Oil and Gas Commission and the Climate Action Secretariat (CAS) to develop a policy framework that requires new oil and gas facilities to minimize greenhouse gas emissions as much as possible and achieve net zero emissions by 2050.
- Work with the BC Oil and Gas Commission and CAS on the development of a sector-specific approach to reducing methane emissions through world-class regulations and research, an integrated methane measurement and monitoring program, and the promotion of innovative technologies.
- Encourage industry to invest in clean technologies through infrastructure royalty credit programs.
- Work with the BC Oil and Gas Commission and CAS to ensure an appropriate enabling environment to support the deployment of carbon capture and sequestration to reduce carbon dioxide emissions from the oil and gas sector.

Performance Measure(s)	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
3.1 Annual GHG reductions from infrastructure improvements under infrastructure royalty credit programs offered by the Province	163,000 tonnes	210,000 tonnes	290,000 tonnes	410,000 tonnes

Data Source: Ministry of Energy, Mines and Low Carbon Innovation

**Linking Performance Measure to Objective**

This measure tracks the GHG reductions from oil and gas infrastructure royalty programs, which directly relates to the environmentally sustainable development of oil and gas resources in B.C. These targets align with the Province’s legislated GHG reduction targets: 40 per cent below 2007 levels by 2030, 60 per cent by 2040 and 80 per cent by 2050. Through royalty deductions, infrastructure royalty programs partner with industry in projects to advance new technologies and processes that reduce methane emissions and promote innovative infrastructure including electrification projects to support reaching GHG emission reduction targets. The purpose of the programs is to help achieve GHG reduction goals and methane reduction targets, while also facilitating job creation, rural development and maintaining competitiveness.

In order to receive royalty deductions under the infrastructure programs, project proponents for emission reduction projects must submit an Emissions Reductions Report that provides a summary of emissions reductions attributed to completion of the project and include a Verification Statement provided by an accredited third-party.

A change to this performance measure may occur within the three-year period of the service plan as a result of the royalty review and subsequent changes to infrastructure royalty credit programs.

**Objective 3.2: Value-added development of B.C.’s oil and gas resources to maximize the benefits to all British Columbians and provide a fair return from our resources.**

**Key Strategies**

- Promote price transparency and public accountability in the gasoline and diesel market through the implementation of the *Fuel Price Transparency Act*.
- Continue to review B.C.’s oil and gas royalty credits to ensure they meet the province’s goals for economic development, economic reconciliation with Indigenous peoples, a fair return on public resources and environmental protection.
- Oversee and support the continued implementation of the LNG Canada Project to ensure government’s goals and expectations are being met.
- Add value to B.C.’s abundant natural gas resources by continuing to work with industry, Indigenous Peoples, BC Hydro, and the Climate Action Secretariat to ensure oil and gas development and related infrastructure supports CleanBC and clean growth.
- Seek to update the LNG framework and work with companies involved in or pursuing LNG projects to implement the approach.

Performance Measure(s)	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
3.2 Relative annual investment in natural gas and oil exploration and development (B.C. as % of Canada)	14%	14%	14%	14%

Data Source: Ministry of Energy, Mines and Low Carbon Innovation based on Canadian Association of Petroleum Producers Net Cash Expenditure historical data and forecasts for 2020. All data is only available and provided by calendar year.

**Linking Performance Measure to Objective**

Investment in the development of and reducing emissions from B.C.’s oil and gas resources are important for maximizing value to British Columbians. Maintaining B.C.’s share of annual investment in Canadian oil and gas resources, including value-added oil and gas development, to support job creation, economic growth, and infrastructure development in B.C. is important to provincial revenues and economic growth. The target is set to maintain B.C.’s share of

investment at a level consistent with recent years reflecting government's goal to see the responsible development of the province's resources.

## Financial Summary

Core Business Area	2021/22 Restated Estimates <sup>1</sup>	2022/23 Estimates	2023/24 Plan	2024/25 Plan
<b>Operating Expenses (\$000)</b>				
Mines Competitiveness and Authorizations	18,487	24,551	24,695	20,051
Mines Health, Safety and Enforcement	10,674	12,693	12,693	12,693
Electricity and Alternative Energy	39,347	38,888	39,414	39,526
Oil and Gas	16,855	17,271	17,280	17,288
Strategic and Indigenous Affairs	2,515	2,515	2,515	2,515
Executive and Support Services	12,131	13,638	14,120	12,812
Innovative Clean Energy Fund Special Account	8,103	2,403	10,103	7,903
<b>Total</b>	<b>108,112</b>	<b>111,959</b>	<b>120,820</b>	<b>112,788</b>
<b>Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)</b>				
Executive and Support Services	299	586	333	333
<b>Total</b>	<b>299</b>	<b>586</b>	<b>333</b>	<b>333</b>
<b><sup>2</sup> Other Financing Transactions (\$000)</b>				
Oil and Gas Commission Receipts	(41,574)	(44,000)	(45,000)	(46,000)
Oil and Gas Commission Disbursements	41,574	44,000	45,000	46,000
Net Cash Requirements (Source)	0,000	0,000	0,000	0,000
<b>Total Receipts</b>	<b>(41,574)</b>	<b>(44,000)</b>	<b>(45,000)</b>	<b>(46,000)</b>
<b>Total Disbursements</b>	<b>41,574</b>	<b>44,000</b>	<b>45,000</b>	<b>46,000</b>
<b>Total Net Cash Requirements (Source)</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>

<sup>1</sup> For comparative purposes, amounts shown for 2021/22 have been restated to be consistent with the presentation of the 2022/23 Estimates.

<sup>2</sup> The ministry collects production levies (operating) and OSRF revenues on behalf of the Oil and Gas Commission, but not pipeline revenues.

\* Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

## **Appendix A: Agencies, Boards, Commissions and Tribunals**

As of February 28, 2022, the Minister of Energy, Mines and Low Carbon Innovation is responsible and accountable for the following:

### [BC Oil and Gas Commission](#)

The BC Oil and Gas Commission is a single-window regulatory agency with responsibilities for regulating oil, gas and renewable geothermal operations in B.C. The Commission regulates activities from exploration and development, to pipeline transportation and reclamation.

### [British Columbia Hydro and Power Authority](#)

BC Hydro is one of the largest electricity suppliers in Canada, generating and delivering electricity to 95 per cent of the population of B.C., and serving over four million people.

### [Assayers Certification Board of Examiners](#)

The Board of Examiners provides for the training, examination, and certification of assayers. This ensures that assayers practicing in the province meet the high standards of competency required by the mining and securities industries and that skilled and qualified assayers are available in B.C. as well as other jurisdictions.