

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

**2023/24  
Annual Service Plan Report**

**August 2024**



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Published by the Ministry of Energy, Mines and Low Carbon Innovation

## Minister's Accountability Statement



The Ministry of Energy, Mines and Low Carbon Innovation 2023/24 Annual Service Plan Report compares the Ministry's actual results to the expected results identified in the 2023/24 – 2025/26 Service Plan published in 2023. I am accountable for those results as reported.

A handwritten signature in black ink, appearing to read 'Josie', written in a cursive style.

Honourable Josie Osborne  
Minister of Energy, Mines and Low Carbon Innovation  
August 19, 2024

# Table of Contents

Minister's Accountability Statement .....	3
Letter from the Minister .....	5
Purpose of the Annual Service Plan Report .....	6
Strategic Direction.....	6
Purpose of the Ministry .....	6
Operating Environment.....	7
Report on Performance .....	8
Appendix A: Public Sector Organizations .....	20
Appendix B: Progress on Mandate Letter Priorities .....	21

## Letter from the Minister

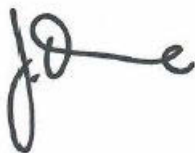
I'm pleased to present the Ministry of Energy, Mines and Low Carbon Innovation Annual Service Plan Report. Over the past year, my ministry has advanced our government's key priorities by putting people first, working towards lasting reconciliation, and supporting the global transition to clean renewable energy. We are focused on driving made in B.C. innovations that reduce our reliance on fossil fuels, improving the timing and transparency of permitting processes, and creating a strong, sustainable economy that works for everyone.

More than ever people in B.C. are doing their part to reduce emissions and address the impacts of climate change. Our government is taking actions to ensure that B.C. is leading the transition to clean energy economy and future. Through the [CleanBC plan](#), our government is focused on energy efficiency, clean fuels and electrification. This year, we introduced the [Low Carbon Fuels Act](#) and updated regulations enhancing the Low Carbon Fuel Standard (LCFS) helping to reduce emissions and decarbonize the transportation industry.

B.C. is leading Canada in the switch to zero-emissions vehicles and the Province is making sure that industry has the technology it needs to continue to follow the lead of everyday British Columbians and make the switch away from fossil fuels. For example, through the [Innovative Clean Energy \(ICE\) Fund](#) we are supporting a first-of-its-kind pilot project that uses [hydrogen to power commercial trucking](#). Hydrogen is one of the best solutions we have to reduce emissions in sectors that are hard to electrify. To accelerate projects like this one and create good, sustainable jobs, my Ministry established the Clean Energy and Major Projects Office, which works with industry to expedite these essential projects.

B.C.'s mining sector provides many of the critical minerals and metals needed for technologies to fight climate change. Our government is committed to ensuring that B.C.'s mining sector is competitive, continues to provide good jobs for people, and helps us meet our climate goals. This year we announced Phase 1 of the [B.C. Critical Minerals Strategy](#), which supports the sustainable development of the critical minerals sector, attracts investment and ensures a stable workforce, all while in alignment with the standards of the [United Nations \(UN\) Declaration on the Rights of Indigenous Peoples](#).

The achievements outlined in this Annual Service Plan Report demonstrate this Ministry's many efforts to meet key priorities in 2023/24 and our commitments to supporting the people of British Columbia.



Honourable Josie Osborne  
Minister of Energy, Mines and Low Carbon Innovation  
August 19, 2024

## Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the [Budget Transparency and Accountability Act \(BTAA\)](#), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, the Minister is required to report on the actual results of the Ministry's performance related to the forecasted targets stated in the service plan for the reported year.

## Strategic Direction

The strategic direction set by Government in 2020 and Minister Josie Osborne's [2022 Mandate Letter](#) shaped the goals, objectives, performance measures and financial plan outlined in the [Ministry of Energy, Mines and Low Carbon Innovation 2023/24 – 2025/26 Service Plan](#) and the actual results reported on in this annual report.

## 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 and gas sectors and related infrastructure, as well as the province's mining and mineral exploration sectors. These sectors are made up of diverse interests that use and develop energy, low carbon fuels and electricity generation, transmission, and distribution infrastructure and that conduct exploration for and produce oil, natural gas, and valuable minerals. 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 as clean as possible.

The Ministry facilitates electricity, mining and oil and gas sectors which are globally competitive, demonstrate leading environmental practices, and advance reconciliation with First Nations, while providing opportunities and quality jobs for British Columbians and a fair return on resources to support the province's priorities.

The Ministry carries out this work in support of [CleanBC](#) and the [CleanBC Roadmap to 2030](#), as well as commitments to First Nations reconciliation. In fulfilling its mandate, the Ministry consults and collaborates with other ministries and levels of government, private sector stakeholders, Indigenous Peoples, 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) and the [BC Energy Regulator](#) (BCER).

## Operating Environment

As the Ministry accountable for affordable, clean energy and oversight of some of the largest economic generators in B.C., key factors impacting the Ministry's operating environment in 2023/24 included weather and climate-related events, global and national market prices, investor trends, and consumer demand.

The province continues to see the effects of climate change, including extreme weather, drought, wildfires and floods, on energy demands and infrastructure. In 2023/24, B.C. experienced a historic drought, which resulted in below average water levels at BC Hydro's largest reservoirs in the north and southeast of the province. BC Hydro took active drought management steps, including conserving water by drawing on less impacted regions and importing more power – a common activity during low water years.

Investors and rating agencies remained increasingly motivated to quantify new kinds of financial risk. Beyond simple shareholder returns and revenues, markets continued to look for stable investments that align with long-term global goals (e.g., [Paris Agreement](#), the [UN Sustainable Development Goals](#), etc.) and analysts and regulators are including [environmental, social and governance](#) (ESG) factors in their investment and procurement decisions. An increased focus on ESG principles is critical for projects and business ventures in the natural resource sector given the impacts on access to capital and overall competitiveness. These priorities are also reflected in consumer purchase decisions. For example, increased global demand for zero-emission vehicles (ZEVs), combined with supply chain shortages across the automotive sector, drove up the price of both new and used ZEVs.

In 2023/24, prices for the province's primary mineral commodities were slightly lower due to sluggish manufacturing activity among some of the major economies. While the outlook for metallurgical coal prices remains subdued due to an expected decline in China's future steel output, demand for critical minerals is expected to significantly grow.

B.C.'s natural gas production continued to expand in 2023/24, growing on average by 6% year-over-year with annual production expected to exceed 7.0 billion cubic feet per day for the first time. However, a lower realized price has translated into estimated natural gas royalties of \$684 million in 2023/24. Strong demand for natural gas throughout North America continued in 2023/24, with production of marketable natural gas in B.C. reaching 6.7 billion cubic feet per day by the end of the year. In 2023/24 the Ministry continued to implement policies to decarbonize B.C.'s natural gas grid and reduce emissions from gas consumption in buildings and by industry.

## Report on Performance

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

This goal is key to supporting [CleanBC](#) and the [CleanBC Roadmap to 2030](#). The Ministry facilitates energy sectors which demonstrate leading environmental practices while providing opportunities and quality jobs for British Columbians.

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

Decarbonization of the B.C. economy supports the GHG reduction targets set out in the CleanBC Plan and Roadmap to 2030.

### Key results

- The Province made updates to the [Clean Energy Act](#) in February 2024 to help ensure that people and businesses continue to have access to affordable, clean electricity.
- BC Hydro announced plans for an unprecedented level of capital investment over the next 10 years, building out our electricity system to power a growing clean economy and communities and create new jobs.
- The Ministry established the Clean Energy and Major Projects Office to accelerate investment in clean energy and technology and create good, sustainable jobs in the transition to a cleaner economy.
- In fiscal year 2023/24 the Province accelerated the provincial sales targets of the Zero-Emission Vehicles Act such that ZEVs will make up 26% of light-duty vehicle sales by 2026, 90% by 2030, and 100% by 2035.
- In 2023/24, the First Nations Low-Carbon Transportation Project, led by the BC Assembly of First Nations and funded by the Ministry, identified five pilot First Nations communities to develop low-carbon transportation plans and worked to develop a comprehensive Transportation Assessment Report for First Nations as well as a First Nations Low Carbon Transportation Planning Guide.
- On January 1, 2024, the [Low Carbon Fuels Act](#) and regulations were brought into force, increasing carbon intensity reduction requirements to 30% in the diesel and gasoline pools, introducing a 10% carbon intensity reduction requirement on jet fuel by 2030, and strengthening the LCFS to create a more robust and flexible GHG emissions reduction policy.



## Summary of progress made in 2023/24

In February 2024, the [Clean Energy Act](#) (CEA) was amended to emphasize the importance of access to clean and affordable energy. The Province updated the CEA to include energy objectives that reflect government's climate and affordability goals which the [B.C. Utilities Commission](#) must consider when making decisions on utility resource plans, capital projects, expenditure schedules and supply contracts.

The amendments to the CEA require that BC Hydro rates do not exceed the cumulative rate of inflation; that rate changes are predictable and stable from year to year, and that 100% of electricity on the B.C. grid is from clean or renewable sources by 2030 – replacing an earlier target of 93%, which the province has long surpassed. These changes support the production of more clean, affordable energy to meet our needs and our climate goals.

[BC Hydro's capital plan](#) commits to almost \$36 billion in community and regional infrastructure investments across the province and will support, on average, 10,500 to 12,500 jobs per year in every part of British Columbia.

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

The Ministry encourages consumers and businesses to switch to low carbon transportation and heating fuels in support of CleanBC outcomes.

### Key results

- In fiscal 2023/24, the Province provided 13,500 incentives for home retrofits through the CleanBC Better Homes program.
- As of December 2023, the Province has issued rebates for 84,267 ZEVs through the [Go Electric Passenger Vehicle Rebate Program](#).
- Public charging station numbers grew by 47% in 2023. By the end of 2023 in B.C., there were 1,257 fast charging stations across 402 public fast-charging sites. Approximately 80% of the core network of fast-charging sites enabling travel throughout B.C. are now ready.
- In fiscal 2023/24, total combined charger rebates/installs at multi-unit residential buildings (MURBs) and workplaces increased by 8%, which includes a 67% increase in charging installations at workplaces. As of the end of 2023, approximately 3.4% of the roughly 15,000 multi-unit residential buildings in B.C. have EV Ready Plans.

## Summary of progress made in 2023/24

As of April 2024, CleanBC Better Homes and Better Buildings has provided support for energy efficiency and fuel switching with 69,000 residential retrofit rebates (including 6,700 income-qualified rebates) and approved 359 capital incentives for commercial, institutional, and multi-unit residential building projects.

The CleanBC Go Electric Program has been highly successful in: encouraging the adoption of ZEVs by British Columbians; leveraging private, municipal, and federal investment in ZEVs and infrastructure in B.C.; and supporting new economic opportunities in the ZEV sector. In calendar year 2023, ZEVs made up 23% of new light-duty passenger vehicles sold with 153,045 ZEVs registered in B.C. and over 4,700 public charging stations.

As of December 31, 2023, the CleanBC Go Electric Program has led to:

- over 153,000 new light-duty ZEVs on the road;
- over 1,400 ZEVs in commercial applications, such as forklifts, medium/heavy duty vehicles, cargo e-bikes and port and airport ground equipment;
- over 110 early-market commercial medium/heavy-duty ZEVs for diverse on road and off-road applications, as well as 60 commercial vehicle charging points;
- almost 100 electric school buses; and,
- over 4,700 public charging stations, and over 80% of the core network of fast charging sites enabling travel throughout B.C.

### Performance measure(s) and related discussion

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
[1a] Clean, renewable and low carbon energy as a share of total utility and transportation energy sales <sup>1</sup>	30%	33%	33%

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.

The performance measure was achieved as a result of increasing use of clean energy across the economy. The most significant contributor was an increase in clean transportation fuels under the LCFS displacing fossil fuels in the transportation sector. BC Hydro's 100% Clean Electricity Delivery Standard allowed BC Hydro to meet electricity demand across the integrated grid in B.C. with clean electricity. Warmer winter weather and higher Renewable Natural Gas sales by FortisBC decreased the volume of fossil fuel used for heating.

Performance Measure	2022/23 Actual	2023 Target <sup>1</sup>	2023 Actual
[1b] Zero-Emission Vehicle sales per cent of new light-duty vehicle sales.	10%	23%	23%
[1c] Zero-Emission vehicle sales per cent of on-road medium- heavy-duty vehicle sales.	0.5%	1%	0.6

Data Source: Compiled by Ministry of Energy, Mines and Low Carbon Innovation staff from ZEV sales. The Zero-Emission Vehicles Regulation defines a light-duty vehicle as one that weighs 3,856kg (8,500lbs) or less.

<sup>1</sup>Table headings are updated from the 2023/24 Service Plan table to more appropriately reflect the data presented, which is tracked on a calendar year basis in line with progress towards provincially legislated targets.

[1b.] Note, the light-duty actual ZEV sales performance measure is ahead of provincially-legislated targets under the Zero Emission Vehicles Act.

[1c.] The medium and heavy-duty ZEV sales actuals have more variability when compared to the target due to the early stage of the medium and heavy-duty ZEV market and the continued impact of global supply chain constraints on medium and heavy-duty vehicle production and supply. As a result, the Service Plan target was not achieved by a marginal amount. It is expected that the medium and heavy-duty ZEV sales will increase provided vehicle and infrastructure supply availability is improved and the Ministry continues to provide support to the industry in these areas.

## 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.

A sustainable sector provides opportunities for all British Columbians, while contributing to a clean economy that combats climate change.

### Objective 2.1: A strong, responsible, low carbon and innovative mining sector that creates good, family supporting jobs.

Innovation in mining contributes to the sector's competitiveness and fosters technological change which supports sustainable employment.

#### Key results

- On January 22, 2024, the Province announced the first phase of a made-in-B.C. [Critical Mineral Strategy](#) to build a clean economy and support sustainable jobs for people by expanding the critical minerals sector in alignment with the Declaration on the Rights of Indigenous Peoples Act (DRIPA).
- In October 2023, the Province issued an Environmental Assessment Certificate for the [Cariboo Gold Project](#) located adjacent to Wells. The project is currently in the [Mines Act](#) permitting process with referral for decision anticipated in June 2024.
- A Section 7 DRIPA Agreement was signed in October 2023 between Tahltan First Nation and B.C. The agreement outlines consent-based decision making for the review of any substantial changes proposed to the Red Chris Mine Environmental Assessment Certificate.

## Summary of progress made in 2023/24

In 2023/24, the Ministry initiated work on Phase 1 of the B.C. Critical Minerals Strategy which was released in January 2024. Phase 1 of the Strategy included 11 actions that will be impactful first steps to support the development and growth of the critical minerals sector, attract investment, and ensure a stable workforce in a competitive jurisdiction. Throughout 2023/24, the Ministry established the MTA Modernization Office, which has worked with First Nations organizations to develop frameworks for consulting and cooperating with First Nations and for engaging with industry and the public. Policy work and engagement is underway.

The Declaration Act Action Plan is a priority for First Nations, Indigenous organizations and the Province and will be a key component to providing regulatory certainty for the mining sector. The Ministry's implementation of DRIPA includes Modernizing and aligning the [Mineral Tenure Act](#) with the [United Nations \(UN\) Declaration on the Rights of Indigenous Peoples](#), pursuant to the Declaration Act.

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

Industry oversight contributes to a safe and a sustainable sector that produces the minerals needed to transition to a low carbon economy.

### Key results

- In June 2023, the Ministry jointly hosted the [65th Annual Provincial Mine Rescue Competition](#) with the Mining Association of British Columbia, in Williams Lake. The competition tests the capability of mine rescue teams from across B.C. to gauge the industry's current mine rescue readiness. The event highlighted capabilities that exceed regulatory requirements and that showcase the B.C. mining industry's leading health, safety and rescue practices.
- The Ministry, with support from the BC Construction Safety Alliance, developed the [Mining Silica Control Tool](#) to enhance worker protections by assessing and controlling silica exposures, utilizing data specific to B.C.'s mining industry. The tool, available at no additional cost to industrial users, reduces operational monitoring costs, provides education to prevent silica exposures and supports compliance with B.C.'s Health, Safety and Reclamation Code for Mines.
- The Ministry launched updates to the [B.C. Mines Shiftboss Certification program](#), in collaboration with Open School B.C., to move exams online and improve accessibility and efficiency.
- The Ministry completed risk mitigation at 13 abandoned mine sites, protecting the public by installing fencing, signage and closing underground mine openings. Additionally, eight abandoned Tailings Storage Facilities received geotechnical and environmental assessments, as well as maintenance work.

- The Ministry evaluated emerging technology for remediating historic mine waste, in collaboration with Geoscience B.C.
- The Ministry’s Mine Audit Unit continued to advance four audits to evaluate the effectiveness of B.C.’s regulatory framework for mining. In its response to audits, the Ministry substantially completed all outstanding audit recommendations from the worker protection in mobile equipment near water and tailing storage facilities audits during the fiscal year.

### Summary of progress made in 2023/24

The Ministry made significant progress toward improving the regulatory environment for mining in B.C., to ensure the safety of workers, the public and the environment during the fiscal year. In addition to the key results outlined above, the Ministry made improvements to the Health, Safety and Reclamation Code for Mines in British Columbia, including new provisions related to emerging technologies, threshold limit values of contaminants, safeguarding of machinery, tailings storage facilities and dams, and worker safety when working near water. The Ministry also invested significantly in digital systems that support mining oversight, improving efficiencies in data collection, storage and analysis, and creating new online reporting processes.

### Performance measure(s) and related discussion

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
[2a] B.C.’s share of Canadian mineral resource development investments	16.7%	17%	15.8%

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

This may be influenced by provincial actions related to critical minerals and reconciliation, as well as overall global market conditions.

<sup>1</sup>PM 2a targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 16% and 16.5% respectively.

In 2023/24, B.C.’s share of Canadian mineral resource development investments did not meet the performance measure target. The Ministry continuously strives to attract growth in long-term investment in B.C.’s mining sector and related services by driving continuous improvement in streamlined processes for mine project permitting, an attractive fiscal environment, and increased and lasting certainty on the land base.

Since 2017, B.C. has seen mineral resource development investment increase by almost 30% (adjusted for inflation). However, investment in other jurisdictions, namely Ontario, Quebec, and Saskatchewan, have also seen large increases leaving the 2023/24 preliminary estimate for B.C.’s share of Canadian mineral resource development investment mostly unchanged since 2017.

Investment in B.C.’s mineral resources relative to other jurisdictions is a measure of the sector’s competitiveness. Additionally, given the increasing focus on responsible investment by financial institutions, it is also a reflection of B.C.’s high ESG standards.

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
[2b] Minimum mine inspections	2195	1600	1886

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

<sup>1</sup> PM 2b targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 1600 and 1600, respectively

The Ministry maintained a strong field presence and continued to position itself to effectively lead compliance oversight at all operations in B.C. during fiscal year 2023/24. The target for measure 2b. (minimum number of inspections) was exceeded. The slightly lower inspection numbers in 2023/24 compared to 2022/23 reflect the impact of forest fires on the ability of staff to get out into the field in certain areas of the province during Summer 2023, as well as some changes to how inspection data is recorded for certain inspection types. The Ministry uses a risk-informed inspection planning approach to prioritise and select sites to be inspected to ensure the most efficient and effective use of compliance management resources. The Ministry continued its efforts to increase Indigenous participation and collaboration in compliance activities, completing 45 inspections accompanied by Indigenous government or organization representatives.

## Goal 3: B.C.'s oil and gas industry reduces its carbon footprint in a manner that supports economic sustainability, advances Indigenous reconciliation and demonstrates commitment to environmental, social and governance (ESG) principles.

The Ministry strives to ensure that B.C. oil and gas is produced responsibly and contributes to positive social and economic outcomes for all British Columbians.

### Objective 3.1: Accelerate efforts to decarbonize B.C.'s energy sectors and usage to support the provincial CleanBC plan.

Reducing the carbon footprint of oil and gas activities demonstrates commitment to enhancing industry's ESG performance.

#### Key results

- In March 2024, the Province announced that it will implement a backstop to the federal cap on emissions from the oil and gas sector and will introduce regulatory measures in 2025, to take effect in 2026.
- In October 2023, the Ministry led the development of a [Memorandum of Understanding with McLeod Lake Indian Band \(MLIB\)](#) to facilitate collaborative regulatory processes for hydrogen projects proposed by MLIB on reserve land.
- Amendments made to the Petroleum and Natural Gas Storage Reservoir Regulation in June 2023 advanced government commitments under CleanBC and provided increased

clarity for carbon capture and storage reservoir licence issuance. Clarity was further enhanced by the development of new guidelines for the storage reservoir licence application process.

- Research projects, including storage reservoir assessments were initiated in fiscal 2023/24 to advance knowledge for carbon capture and storage in B.C. and funded under shared cost arrangements with Geoscience BC, Tu-Deh-Kah Geothermal of the Fort Nelson First Nations and Simon Fraser University.
- The Ministry and the Climate Action Secretariat worked with BCER to develop enhanced methane emissions regulations to support the 75 percent methane emissions reduction by 2030 target and near elimination by 2030.
- A new three-year research plan was approved and launched by B.C.'s Methane Emissions Research Collaborative (MERC) to ensure an accurate understanding of methane emission sources from the oil and gas sector and mitigation opportunities.
- Advancing government's goal to transition to low carbon energy and support the hydrogen economy, regulatory amendments were made to bring the [Energy Statutes Amendment Act, 2022](#) into force which added the regulation of hydrogen production and associated activities to the BCER's responsibilities.

### **Summary of progress made in 2023/24**

B.C.'s natural gas production has one of the lowest methane emissions intensities in the world. Methane emissions intensity, which is the quantity of methane released into the air relative to the amount of gas produced, enables comparisons of environmental performance across jurisdictions and timeframes.

With the support of the BC Oil and Gas Methane Emissions Research Collaborative, the Energy and Emissions Research Laboratory at Carleton University conducted aerial surveys in NE BC over several years. Using this research, in April 2023, the research team published a journal article that found the methane emissions intensity of produced natural gas in B.C. to be less than 0.5 percent in 2021. This emissions intensity compares favourably to other North American natural gas producing jurisdictions where research has found intensities ranging from 0.6 percent to 5.6 percent.

B.C. is on track to exceed our CleanBC oil and gas sector methane emissions reduction target of 45% below 2014 by 2025.

In 2023/24 BCER consulted with First Nations and engaged with stakeholders on new stronger methane regulations that will support the achievement of the 75 percent reduction target by 2030 and ensure ongoing equivalency with the federal government's proposed methane regulations.

The three-year research plan developed this year furthers B.C.'s commitment to enhance our understanding of the sector's methane emissions inventory through collaborative research partnerships and use of advanced methane detection technologies. This work adds insight

that is essential for effective regulatory development and achieving B.C.'s methane reduction targets.

**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.**

Oil and natural gas activities generate revenues to the Crown that support services such as health care and education and facilitate reconciliation with First Nations.

### **Key results**

- LNG Canada reached peak construction in fall 2023, with more than 8,000 Canadians employed at the export facility in Kitimat.
- The Coastal GasLink (CGL) Project reached mechanical completion in November 2023. CGL's workforce exceeded 4,000 people throughout 2023. For CGL, more than \$1.8 billion in contracts have been awarded to Indigenous and local businesses.
- The Woodfibre LNG Project began construction in September 2023, and the associated Eagle Mountain Pipeline began construction in August 2023, together representing an estimated capital investment of \$5.1 billion and hundreds of jobs.

### **Summary of progress made in 2023/24**

B.C is Canada's second largest producer of natural gas and plays a key role in meeting both domestic demand as well as demand in neighbouring jurisdictions in the Pacific Northwest and across Canada.

In 2023/24, B.C. produced over 6.8 billion cubic feet of marketable natural gas per day, an increase of six percent over 2022/23. The production of natural gas liquids such as propane and butane also continue to expand in 2023/24, with growth over ten percent. The vast majority of natural gas produced in B.C. continues to be exported to other parts of Canada, the United States and Asian markets.

Several major projects progressed in 2023/24 both the LNG Canada project and its connecting Coastal GasLink pipeline hit key milestones and experienced steady construction workforce numbers throughout 2023/24. First Nations and local communities are benefitting with contracts and new job opportunities as LNG Canada plans for hundreds of long-term permanent positions. The Woodfibre LNG began construction in September 2023 and Eagle Mountain Pipeline project began construction in August 2023.

The Province began implementing the Blueberry River First Nations Implementation Agreement in 2023/24 and established Letters of Agreement with seven other Treaty 8 First Nations, following the B.C. Supreme Court Yahey decision. These agreements create a structured framework for cooperative land and resource planning, aiming to foster regional solutions benefiting northeastern B.C. and the wider Treaty 8 territory. Although implementing these agreements presents challenges, the transformative shift in natural resource



management through collaboration with Treaty 8 is crucial for reconciliation and economic prosperity. The Ministry continues to work with Treaty 8 Nations to implement the agreements and co-developed oil and gas related operational landscape level plans.

### Performance measure(s) and related discussion

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
[3a] Annual GHG reductions from infrastructure improvements under royalty programs	210,000 Tonnes	290,000 tonnes	402,400 tonnes

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

<sup>1</sup>PM 3a targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 410,000 tonnes and 500,000 tonnes, respectively.

The 2023/24 actual performance measure of 402,400 tonnes exceeded the target of 290,000 tonnes as a large natural gas plant electrification project was completed and fully operational as of June 2023, earlier than planned. The anticipated emission reductions from this project were not included in the 2023/24 forecast and the project's actual verified GHG emission reductions were higher than expected.

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
[3b] Relative annual investment in natural gas and oil exploration and development (B.C. as % of Canada)	N/A	14%	N/A <sup>1</sup>

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

<sup>1</sup>Statistics Canada data not available until later in 2023

As natural gas production continues to increase in B.C., the annual proportion of investment made in the province compared to the rest of Canada is expected to remain relatively constant. Data for 2023/24 will only be released by Statistics Canada in 2025.

## Financial Summary

	Estimated (\$000)	Other Authorizations <sup>1</sup> (\$000)	Total Estimated (\$000)	Actual (\$000)	Variance <sup>5</sup> (\$000)
<b>Operating Expenses</b>					
Mines Competitiveness and Authorizations	28,383	1,854	30,237	28,336	(1,901)
Mines Health, Safety and Enforcement	13,670	0	13,670	16,283	2,612
Electricity and Alternative Energy	41,365	214,254	255,619	254,169	(1,450)
Oil and Gas	17,706	2,938	20,644	18,222	(2,422)
Strategic and Indigenous Affairs	2,669	2,424	5,093	5,975	882
Executive and Support Services	14,615	0	14,615	16,894	2,279
Innovative Clean Energy Fund	10,128	0	10,128	5,886	(4,242)
Mines Act	0	4,070	4,070	4,070	0
<b>Sub-total</b>	<b>128,536</b>	<b>225,540</b>	<b>354,076</b>	<b>349,834</b>	<b>(4,242)</b>
Adjustment of Prior Year Accrual <sup>2</sup>	0	0	0	(3)	(3)
<b>Total</b>	<b>128,536</b>	<b>225,540</b>	<b>354,076</b>	<b>349,831</b>	<b>(4,245)</b>
<b>Ministry Capital Expenditures</b>					
Executive and Support Services	546	0	546	336	(210)
<b>Total</b>	<b>546</b>	<b>0</b>	<b>546</b>	<b>336</b>	<b>(210)</b>
<b>Other Financing Transactions<sup>3</sup></b>					
BC Energy Regulator					
Receipts <sup>4</sup>	(45,000)	(5,386)	(50,386)	(50,386)	0
BC Energy Regulator Disbursements	45,000	5,386	50,386	50,386	0
Net Cash Requirements (Source)	0	0	0	0	0
<b>Summary</b>					
<b>Total Receipts</b>	<b>(45,000)</b>	<b>(5,386)</b>	<b>(50,386)</b>	<b>(50,386)</b>	<b>0</b>
<b>Total Disbursements</b>	<b>45,000</b>	<b>5,386</b>	<b>50,386</b>	<b>50,386</b>	<b>0</b>
<b>Total Net Cash Requirements (Source)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> “Other Authorizations” include Supplementary Estimates, Statutory Appropriations and Contingencies. 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 (\$0.003) million is a reversal of accruals in the previous year.

<sup>3</sup> Other Financing Transactions are for disbursements that are provided by the province to the BC Energy Regulator with respect to oil and gas industry fees and levies assessed and collected on behalf of the Commission under the *Oil and Gas Activities Act* and the Fee, Levy and Security Regulation.

<sup>4</sup> Levies include Orphan Site Reclamation Fund revenues and production levies but not Pipeline revenues or fees from oil and gas applications. Reported information may differ from the BC Energy Regulator due to recognition differences.

<sup>5</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.

## Appendix A: Public Sector Organizations

As of March 31, 2024, the Minister of Energy, Mines and Low Carbon Innovation is responsible and accountable for the following organizations:

### [BC Energy Regulator](#)

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

### [BC Hydro](#)

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 approximately five million people.

## Appendix B: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in Minister Josie Osborne’s 2022 Mandate Letter.

2022 Mandate Letter Priority	Status as of March 31, 2024
<p>Launching the transitional phase of a new oil and gas royalty system that puts the interests of British Columbians first and replaces outdated and inefficient fossil fuel subsidies.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• Transition system was implemented September 2022 that stopped the issuance of deep well credits and ended numerous incentive programs for new wells including the marginal, ultra-marginal and low productivity reduced royalty rates.</li> </ul>
<p>Accelerating zero emission vehicle adoption by increasing the maximum rebate amounts for eligible electric vehicles and ensuring they are going to those who need them most, increasing rebates to buy and install charging infrastructure at home and work, expanding the public network of charging stations across the province, and exempting used zero emission vehicles from PST.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• Budget 2023 approved an additional \$40 million for the CleanBC Go Electric Commercial Vehicle Pilots Program, increasing the total budget to \$89 million.</li> <li>• Program results as of December 31, 2023, are reported under Objective 1.2.</li> </ul>
<p>Driving made-in-B.C. innovation through the establishment of a new ‘B.C. Centre for Innovation and Clean Energy’ where areas such as carbon capture and storage and renewable fuels will be advanced.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• \$19.6 M committed for 33 clean energy innovation projects valued at \$139 M supporting sectors including energy, mining, forestry, agriculture, marine, transportation, industrial manufacturing, and technology.</li> <li>• The following studies were published: <ul style="list-style-type: none"> <li>○ B.C. Hydrogen Regulatory Mapping Study (May 2023).</li> <li>○ Carbon Dioxide Removal (February 2024).</li> <li>○ The Potential for Methane Pyrolysis in B.C. (April 2024).</li> </ul> </li> </ul>

2022 Mandate Letter Priority	Status as of March 31, 2024
<p>Drive delivery of your ministry’s CleanBC Roadmap to 2030 policies and programs on time and on target to help ensure we meet our legislated GHG goals.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• See Objectives 1.1 and 1.2.</li> </ul>
<p>Develop targeted programs to support clean energy and efficiency upgrades for low-income and rental housing that will help reduce emissions while making our homes more comfortable and affordable, with support from Ministers of Housing, Environment and Climate Change Strategy, and Social Development and Poverty Reduction.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• As of June 2024, the CleanBC Better Homes Energy Savings Program is offering improved income-qualified incentives to support home heat pump installations and energy efficiency retrofits in low and middle-income homes.</li> <li>• In 2023/24, the Ministry worked to revise and enhance its current offers to better address the specific needs of apartments (including rental housing).</li> </ul>
<p>Develop and implement a climate-aligned energy framework for B.C. with an overall goal of maximizing our province’s production of clean energy to use at home and for export.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• Engaged with B.C.’s large gas and electric utilities to develop future energy scenarios.</li> <li>• The Minister hosted roundtable engagement sessions with over fifty stakeholders representing a broad variety of sectors including industry, municipalities, First Nations organizations and environmental non-government organizations as part of developing the Framework.</li> <li>• In collaboration with the First Nation Energy and Mining Council (FNEMC), the Ministry also conducted broad engagement with First Nations in B.C. in January 2024 as part of developing the Framework.</li> </ul>

2022 Mandate Letter Priority	Status as of March 31, 2024
<p>Improve timing and transparency of permitting processes to support sustainable economic development while maintaining high levels of environmental protection, aligned with cross-government work on permitting led by the Minister of Water, Land and Resource Stewardship.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• The backlog of regional permit applications has reduced by 52% since April 2022.</li> <li>• Ministry staff regularly meet with industry associations to share data and discuss progress and attend mineral exploration conferences to enhance accessible and transparent processes.</li> <li>• In March 2024, the Ministry launched a public engagement portal, which displays the locations of all applications in progress and highlights those that are open for public comment.</li> <li>• The Ministry is in the second year of implementation of the scheduled permit intake process, which provides more predictability with respect to regional permit review and feedback schedules.</li> <li>• The Ministry has increased the capacity of the Major Mines Office (MMO) staff to focus on amendment applications by reassigning the majority of its compliance and enforcement responsibilities to a new technical compliance unit (Feb 2021) and consultation responsibilities to a new indigenous relations branch (July 2022)</li> <li>• The Ministry invested \$2.2M in integrated digital products in FY 2023/24, developed in-house by the Mines Digital Services (MDS) team, to improve permitting process efficiency and increase transparency into the regulatory oversight of mines.</li> <li>• In November 2023, the Ministry began posting project application documents to the BC Mine Information (BCMI) website for mine projects of heightened public interest. The MMO has updated the Joint Application Information Requirements guidance document for major mine permit applications.</li> </ul>

2022 Mandate Letter Priority	Status as of March 31, 2024
<p>Work with BC Hydro to implement its Electrification Plan and to ensure the province is well positioned to electrify B.C.'s economy and industry, including options for Indigenous ownership and/or equity interest in BC Hydro infrastructure and Indigenous partnership in clean energy projects.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• In March 2024, the Province announced that it will implement a backstop to the federal cap on emissions from the oil and gas sector and will introduce regulatory measures in 2025, to take effect in 2026.</li> <li>• In 2023, the Province and BC Hydro announced the first call for power in over 15 years to add 3,000 gigawatt hours of clean and renewable electricity.</li> <li>• Increasing the clean energy generation will support electrification efforts in the built environment and greenhouse gas emission reductions.</li> <li>• BC Hydro's 2024 10-year Capital Plan, Power Pathway: Building B.C.'s Energy Future, released in January 2024, supports increased investments in electrification and replacement of aging assets to ensure a future-ready grid.</li> </ul>



2022 Mandate Letter Priority	Status as of March 31, 2024
<p>Work with the Minister of Environment and Climate Change Strategy to develop policies and regulations that meet B.C.'s 2030 sectoral and methane targets for the oil and gas sector while ensuring alignment with the federal cap on oil and gas emissions.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• In 2023 the Ministries of Energy, Mines and Low Carbon Innovation and Environment worked in collaboration with the British Columbia Energy Regulator (BCER) to develop enhanced methane regulations. Proposed changes are designed to: achieve the province's 2030 target; build towards near elimination by 2035; and achieve reductions aligned with federal regulations so that continued equivalency can be determined.</li> <li>• In April 2023, the Energy and Emissions Research Laboratory at Carleton University published a journal article that found the methane emissions intensity of produced natural gas in B.C. to be less than 0.5 percent in 2021. This emissions intensity compares favourably to other North American producing areas and jurisdictions where research has found intensities ranging from 0.6 percent to 5.6 percent.</li> </ul>
<p>In collaboration with the Minister of Transportation and Infrastructure, complete the Clean Transportation Action Plan to support shifts to sustainable modes of travel, advance modern transportation systems, and help meet our ambitious greenhouse gas targets for the transportation sector.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• Ministry-specific engagement on commercial ZEV requirements has been underway since spring 2023.</li> <li>• In 2023/24, , the Ministry undertook policy work as well as engagement with a broad range of technical stakeholders on CTAP.</li> </ul>

2022 Mandate Letter Priority	Status as of March 31, 2024
<p>Work with the BC Utilities Commission to identify an appropriate role for the Commission in supporting B.C.'s clean energy transition, in alignment with our province's climate goals to achieve net zero by 2050 and affordability objectives</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• In February 2024, the Ministry updated the energy objectives in the <i>Clean Energy Act</i>, providing a clear signal to the commission regarding the Province's climate and affordability goals.</li> <li>• Specifically, the Province included emission reduction and affordability among the <i>Clean Energy Act</i> energy objectives that the BCUC must consider when making decision on utility resource plans, capital projects, expenditure schedules and supply contracts.</li> </ul>
<p>Review and identify opportunities to transition fossil fuel subsidies to the clean tech and clean energy sectors.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• Shortly after its establishment, the Clean Energy and Major Projects Office (CEMPO) led engagement with the industry over summer and fall 2023 to identify key competitiveness challenges.</li> <li>• The CEMPO continues to review and identify opportunities to transition fossil fuel subsidies to clean tech and clean energy sectors.</li> <li>• Work continues on design of the Healing the Land and Emissions Reduction program to re-purpose existing deep well credits.</li> </ul>

2022 Mandate Letter Priority	Status as of March 31, 2024
<p>Support B.C.'s mining sector by launching the Mining Innovation Hub and expedite a provincial critical minerals strategy that positions British Columbia to take advantage of the emerging clean global economy.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• On January 22, 2024, Premier Eby announced the release of Phase 1 of the BC Critical Minerals Strategy.</li> <li>• Phase 1 includes 11 actions that will be impactful first steps to support the development and growth of the critical minerals sector, attract investment, and ensure a stable workforce in a competitive jurisdiction.</li> <li>• Innovation is integral to the growth of a safe, competitive, and environmentally responsible critical minerals sector in B.C. and continues to be supported by the Ministry through initiatives like the B.C. Critical Minerals Strategy.</li> </ul>
<p>Advance the co-development of a modernized Mineral Tenure Act with First Nations and Indigenous organizations, in alignment with the DRIPA Action Plan commitment.</p>	<p>In Progress</p> <ul style="list-style-type: none"> <li>• In July 2023, a dedicated Mineral Tenure Act Modernization Office was established and has set-up tables for consultation, cooperation and engagement to advance the policy development for legislative reform.</li> <li>• The Ministry has also established tables for government-to-government conversations with First Nations, a First Nations Technical Advisory Group (FNTAG) and working group with the First Nations Leadership Council and First Nations Energy and Mining Council.</li> <li>• Broader engagement planning with industry and other interested groups is underway.</li> </ul>