



Offshore Oil and Gas Division

Waves of Opportunity Conference: Government Reports

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BC's Perspective on Offshore

- This government considers offshore a high priority
- Ensure oil and gas activity scientifically sound and environmentally responsible
- Remain strongly committed to working with First Nations, coastal communities and key stakeholders

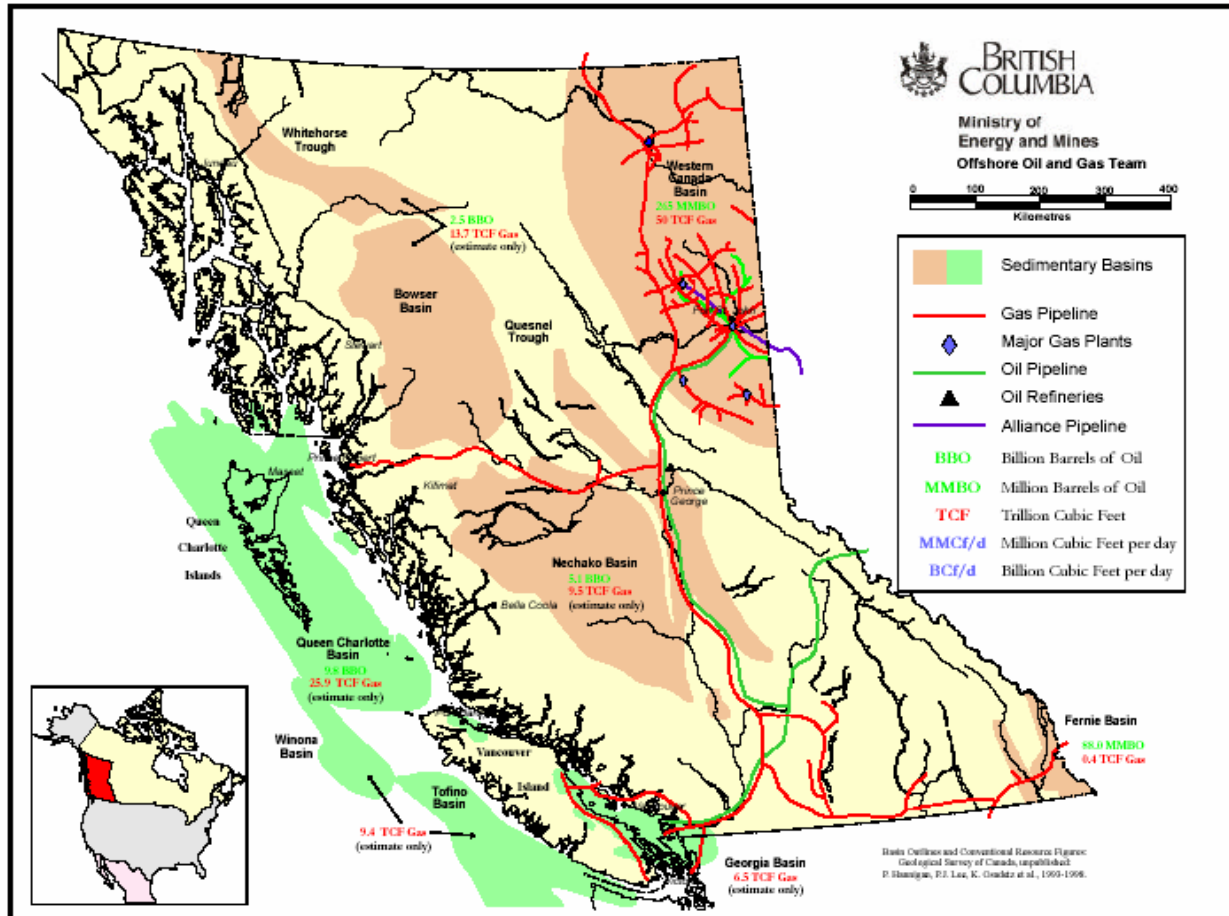


Energy Context

- **It took us 125 years to use the first trillion barrels of oil. We'll use the next trillion in 30.** - *Cambridge Energy Research Assoc.*
- **In 20 years the world will consume 40% more oil than it does today.** - *EIA Projections of Oil Production Capacity and Oil Production*
- **At the same time many of the world's oil and gas fields are maturing.** - *The Economist*
- **New Energy discoveries are mainly occurring in places where resources are difficult to extract physically, economically, and politically.** - *American Association of Petroleum Geologists*



Offshore Petroleum Potential in British Columbia





Case for Offshore: Energy Picture

- Energy will play significant role in BC's future
- Energy development can occur in an environmentally responsible manner
- North American supply of oil/gas is peaking and energy stability is fragile
- NEBC is maturing; need to begin now to have alternatives on line



Case for Offshore: Economic Picture

- Shift in resource base
 - Interior communities: effects of pine beetle
 - Coastal communities: need economic opportunity and social stability – forestry/fishing activity less reliable
- Opportune time for new resource to be developed
- At 2005 prices resource value of Queen Charlotte Basin alone is Can\$225 billion



BC's Approach

- Work with First Nations, coastal communities, and key stakeholders to identify concerns, provide information and establish mutually agreeable solutions
- Develop provincial positions on comprehensive fiscal/management/regulatory regime
- Work with Canada to advance state of scientific knowledge about BC offshore and make that knowledge more publicly accessible



Specifics: First Nations/Coastal Communities/Stakeholders

- Protocol Agreement with Nisga'a Nation
- Memorandum of Understanding, UBCM working group
- Oceans Technology Conference



Specifics: Fiscal/Management/Regulatory Regime

- Energy Council
- Interstate Oil and Gas Compact Commission
- North American Coastal Alliance
- Draft Regulatory Framework
- Fiscal Forecasting Model



Specifics: Working with Canada

- Atlantic Roundtable
 - Seismic Statement of Practice
 - Regulatory Renewal Initiative
- Oceans Act Memorandum of Understanding
 - MPAs
 - Data Sharing re: Offshore
- Scott Islands Wildlife Area
- BC Proposals for Regulatory Model, Joint Work Plan



Specifics: Science

- Ministry partnership with University of Victoria
 - Basin modeling in the Queen Charlotte Islands
 - Acoustic propagation modeling of Hecate Strait
 - Collection/analysis of source rocks on North Vancouver Island/Queen Charlotte Islands
 - Public information website on offshore
 - Stratigraphic studies on evolution of Queen Charlotte Basin
 - Study of effect of seismic sound on sponge reefs
 - Acoustic transmission study in Hecate Strait



Specifics: Science

- Completion of British Columbia's Oil Spill Response Information System for entire coast
- Development of Division's Offshore website
 - "Map Gallery"
 - Source for related publications
 - Fiscal Year 04/05 – approximately 270,000 "hits"
 - Approximately 57% of visitors were international



Conclusion

- Much work has been done
- Much work remains to be done
- Province of British Columbia remains committed to do that work