

British Columbia Energy Regulator

2025/26 – 2027/28 Service Plan

March 2025



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Published by British Columbia Energy Regulator

Board Chair's Accountability Statement



The 2025/26 – 2027/28 BC Energy Regulator Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. This plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of this plan and is responsible for the validity and reliability of the information presented.

All significant assumptions, policy decisions, events and identified risks, as of March 2025 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, BC Energy Regulator's mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of BC Energy Regulator's operating environment, forecast conditions, risk assessment and past performance.

Signed on behalf of the Board by:

A handwritten signature in blue ink, appearing to read 'Natascha Kiernan', with a long horizontal flourish extending to the right.

Natascha Kiernan
Vice Chair, BC Energy Regulator
March 4, 2025

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Strategic Direction

In 2025/26, public sector organizations will continue to prioritize delivering the services and infrastructure needed for people to build good lives in strong communities.

To support this objective public sector organizations will support Government's focus on growing the economy, responding to the threat of tariffs, creating good paying jobs, improving affordability, strengthening health care and education, and making communities safer.

Public sector organizations will also continue to work as directed to support the implementation of the Declaration on the Rights of Indigenous Peoples Act Action Plan.

This 2025/26 service plan outlines how BC Energy Regulator will support the government's priorities and selected action items identified in the most recent [BCER's Mandate Letter](#)

Purpose of the Organization and Alignment with Government Priorities

The BC Energy Regulator (BCER) is the regulatory agency responsible for overseeing energy activities in British Columbia. Our role includes the management of natural gas, hydrogen, ammonia, methanol, oil, carbon capture and storage (CCS) and geothermal resources. We regulate energy resources primarily through the [Energy Resource Activities Act \(ERAA\)](#) and other associated laws. As a provincial Crown Corporation, the organization reports to the provincial government through the Minister of Energy and Climate Solutions.

We ensure activities are undertaken in a manner that protects public safety and the environment, supports reconciliation with Indigenous peoples, conserves energy resources and fosters a sound economy and social well-being. We work collaboratively across government and industry sharing technical and policy expertise in support of B.C.'s transition to low-carbon energy and helping meet future global energy needs.

The BCER carries out its purpose through three core business areas:

- Regulation and policy: provide an effective framework that enables regulatory excellence.
- Responsible resource development: focus on processes and stewardship measures that enhance transparency, ensure the durability of decisions, and expedite permitting to support innovation and sustainable development.
- Compliance and safety: monitor, inspect, audit, and enforce the life cycle of regulated activities, ensuring technical assessments, safety and stewardship measures are effective and reflect best practices.

The 2025/26 – 2027/28 Service Plan outlines how the BCER supports government priorities, is aligned with our [Strategic Framework](#) and serves as a roadmap for achieving our vision of a resilient energy future where B.C.'s energy resource activities are safe, environmentally

leading and socially responsible. We have identified three goals for the 2025/26 – 2027/28 Service Plan that demonstrate how we are successfully delivering on our mission: A Progressive and Trusted Life Cycle Energy Regulator; Meaningful Reconciliation and Partnership with Indigenous Peoples; and A Healthy, Empowered, Inclusive, and Modern Workforce.

Operating Environment

The BC Energy Regulator (BCER) is navigating a rapidly evolving energy landscape, shaped by technological advances, shifting market dynamics, and growing environmental expectations. The global energy transition, low-carbon technologies, and climate change concerns are driving significant changes in the sector, while geopolitical events and policy shifts further influence the regulatory environment. The BCER, as a trusted regulator, plays a crucial role in ensuring the safe and sustainable development of both traditional and emerging energy resources, balancing economic growth with environmental stewardship.

In response to these shifting dynamics, the BCER is modernizing its permitting processes to enhance efficiency, transparency, and alignment with industry needs. Through collaboration with ministries, First Nations, governments, project proponents, and stakeholders to accelerate decisions for clean and low-carbon energy infrastructure, while upholding B.C.'s world-leading environmental standards. By refining workflows, addressing the application backlog, updating risk assessments, and enhancing decision-making frameworks, the BCER is streamlining decisions to match the risk profile of each project. This approach allows for quicker decisions of lower-risk activities while maintaining thorough reviews for more complex projects, supporting both traditional and clean energy sectors responsibly.

A significant area of focus is BCER's emerging role as the single-window regulator for permits to support the North Coast Transmission Line (NCTL) and other major transmission lines, with the government's intention to introduce legislation to provide the necessary authorities for BCER to take on this critical work. The legislation will also allow the regulation of renewable energy projects, such as wind and solar, to move under BCER's authority. This expanded mandate will streamline project decisions, while upholding B.C.'s high environmental standards. This change represents a natural extension of our ongoing work with industry and First Nations to bring critical energy infrastructure to market, contributing to B.C.'s climate goals and economic development. This year will be pivotal year to establish best practices for managing these significant responsibilities.

In parallel, BCER is advancing efforts to reduce methane emissions from the oil and gas sector, with new regulations targeting a 75 per cent reduction by 2035. Effective January 2025, these regulations introduce enhanced monitoring for high-leakage equipment, stricter venting limits, and more frequent leak detection and repair surveys. With these regulations now in place, the focus shifts to their effective implementation, ensuring consistent application across the sector. These measures are vital for meeting the province's climate targets and driving progress toward clean energy solutions.

The BCER's priorities for the 2025/26 period extend beyond infrastructure and emissions reductions to include significant efforts in reconciliation, safety, and compliance. Strengthening relationships with First Nations remains a cornerstone of our approach, ensuring meaningful consultation and collaboration in all regulatory activities. By incorporating Indigenous knowledge into decision-making processes, BCER fosters trust and creates lasting partnerships that emphasize cultural, environmental, and community priorities. Public safety and compliance also remain central, with ongoing oversight of energy projects, including rigorous inspections and adherence to safety protocols.

Meaningful engagement with stakeholders, including local communities and industry, will continue to guide our work, ensuring the effective implementation of these priorities and fostering transparent and collaborative regulatory practices.

As the regulatory landscape evolves, BCER remains steadfast in its long-term commitment to the people of British Columbia and dedicated to supporting B.C.'s sustainable energy transition. By leading energy regulation and supporting responsible resource development, BCER is driving progress toward achieving the province's climate goals, supporting economic growth, and ensuring a sustainable energy future for generations to come.

Performance Planning

Goal 1: A Progressive & Trusted Life Cycle Energy Regulator

The BCER is a progressive and trusted life cycle energy regulator. We demonstrate regulatory excellence across the full life cycle of energy resources that support a safe, responsible, responsive, and innovative energy sector for the benefit of British Columbians.

Objective 1.1: Demonstrate Operational Excellence & Stewardship in the Public Interest

As a trusted processes and embrace innovative technologies to ensure energy resource activities are safely and effectively planned for, developed, managed, maintained, and restored in a manner that fully considers the environment, the rights of landowners, Indigenous knowledge, community well-being, and contributes to B.C.'s competitive investment climate.

Key Strategies

- Collaborate with other government, ministries and agencies to deliver on Action 2.6 in the [Declaration Act Action Plan](#),¹ which calls for the co-development of strategic-level policies, programs, and initiatives to advance collaborative stewardship of the environment, land and resources.
- Complete risk-focused technical reviews and decisions within timelines specified in construction permits for major Liquefied Natural Gas (LNG) facilities and projects.
- Plan to complete 106 external audits as part of the annual compliance plan to uphold public safety, environmental stewardship, and regulatory compliance.

Discussion

The BCER is committed to advancing collaborative environmental stewardship with First Nations through the implementation of the Declaration Act Action Plan (DRIPA), focusing on Action 2.6. This effort aligns with our goal to enhance regulatory processes to reflect public interests, inclusivity, and adaptability. By engaging First Nations, the BCER upholds our commitment to reconciliation and ensure their knowledge, rights and perspectives are central to decision-making.

To achieve this, the BCER will actively collaborate with other natural resource agencies to ensure a coordinated and effective approach to environmental management. Additionally, partnerships with First Nations, industry stakeholders, and academia are key to improving assessment processes and developing tools that keep regulatory frameworks current, inclusive, and aligned with shared values.

¹ Action 2.6 is to “Co-develop strategic-level policies, programs, and initiatives to advance collaborative stewardship of the environment, land, and resources, that address cumulative effects and respects Indigenous Knowledge. This will be achieved through collaborative stewardship forums, guardian programs, land use planning initiatives, and other innovative and evolving partnerships that support integrated land and resource management.”

Technical application reviews for major LNG projects are prioritized based on risk and operator construction timelines. This approach allows the BCER to provide effective technical safety oversight, maintaining public safety and environmental protection. By delivering clear and efficient guidance on technical compliance, the BCER ensures operators understand and meet regulatory requirements. These efforts support timely decision-making, prevent construction delays, and enable responsible industry development in B.C.

The BCER's external audit program is a coordinated, risk-informed initiative designed to uphold public safety, environmental stewardship, and regulatory compliance. By targeting key program areas—such as Damage Prevention, Facilities and Pipelines Integrity, Restoration, Dam Safety, and Environmental Programs—the program ensures a comprehensive approach to identifying and addressing risks.

Audits are prioritized based on risk and strategic priorities, enabling BCER to mitigate non-compliance effectively and ensure corrective actions are completed within regulatory timelines. Progress is tracked through the compliance plan, reviewed quarterly, and transparently shared with the public in an annual report, reinforcing accountability and trust. When corrective actions are not implemented within the allocated timeline, further enforcement actions – such as fines, orders, or other measures – may be taken to ensure compliance.

Objective 1.2: Advance B.C.'s Energy Transition to a Low-Carbon Economy

The BCER collaboratively works with Government, First Nations, environmental groups and industry, to share regulatory policy and technical expertise, provide operational leadership, and evolve our regulatory model to support B.C.'s energy transition to a low-carbon economy that meets future energy needs.

Key Strategies

- Build the new Energy Development, Restoration & Sustainability Department to support the BCER's potential electrification mandate expansion and enhance collaboration on restoration and cumulative effects management across government.
- Ensure employees have knowledge about energy transition, and our operational and technical staff are supported in training and experiential activities to ensure effective and leading regulatory frameworks.
- Collaborate with government to develop low-carbon policies, advance initiatives and continuously re-evaluate the BCER regulatory framework to plan for regulatory changes to ensure alignment.

Discussion

The creation of the Energy Development, Restoration & Sustainability Department aligns with BCER's commitment to supporting the province's electrification mandate expansion and enhancing collaboration on restoration and cumulative effects management. This new department positions BCER to address key recommendations from reviews of large linear electrification projects, improve permitting processes, and strengthen investor confidence through timely project delivery, including the North Coast Transmission Line (NCTL) project.

As BCER evolves, developing a strong knowledge base enables staff to effectively navigate the complexities of the changing energy landscape and make informed decisions. Ongoing training and experiential activities will enhance the expertise of operational and technical staff in clean energy technologies, equipping them to effectively develop, implement, and enforce regulatory frameworks.

In alignment with the government's low-carbon policies, BCER's regulatory framework is designed to facilitate the energy transition and support clean energy initiatives. BCER helps position B.C. as a leader in methane emissions management and the development of a hydrogen economy. Continued collaboration with the provincial government ensures energy resource activities meet emission reduction targets while maintaining regulatory alignment with federal standards.

Objective 1.3: Build Public Trust & Provide Energy Information

The public trusts and understands the BCER's role as an energy life cycle regulator, including the safety, environmental, social and governance factors applied in decision making.

Key Strategies

- Working with provincial agencies and First Nations, redesign an aligned approach to cumulative effects management that meaningfully considers the cumulative effects² of a project on the environment and on the rights and interests of First Nations.
- Review the applicability of [Environmental, Social, Governance \(ESG\)](#) principles and standards to the BCER mandate, including potential use of the Canadian Securities Administrators guidance on ESG related investments as a tool address ESG risk.
- Share information about regulated activities through our website, leveraging data and analytics, to increase transparency in BCER's regulatory framework and decisions.

Discussion

Responsible decision making requires a cumulative perspective and thinking beyond the effects of a single project to the effects on broader human and environmental systems. The BCER is committed to advancing cumulative effects management to limit impacts on the environment and protect aboriginal and treaty rights. In collaboration with natural resource agencies and Treaty 8 Nations, BCER is implementing the new Cumulative Impacts (Treaty 8) Order in the northeast, strengthening efforts to address the cumulative effects of projects within the region. This Order complements other regional initiatives, such as landscape planning pilots, environmental setbacks, and limits on disturbance. BCER is continuously refining its processes and decision-making to incorporate these approaches, ensuring both environmental impacts and the rights and interests of First Nations are meaningfully considered.

BCER recognizes ESG principles create opportunities for innovation and resilience in today's global economy. To support this, BCER is committed to exploring innovative approaches to

² Cumulative effects are defined by the Province of B.C. as "changes to environmental, social and economic values caused by the combined effect of past, present and potential future human activities and natural processes."

ESG by reviewing emerging standards and engaging with stakeholders. This will help identify opportunities to integrate ESG-related information into its existing regulatory framework, ensuring alignment with public interests and addressing ESG risks effectively.

The BCER aims to enhance transparency in communicating information about regulated activities by utilizing data and analytics, which is vital to strengthening public trust in its regulatory framework and decisions. By providing clear, accessible information, BCER seeks to foster informed discussions, reduce ambiguity, and reinforce its role as a transparent and accountable authority. This commitment also supports continuous improvement in compliance and enforcement activities, working in partnership with the Environmental Assessment Office and other agencies to ensure companies and operators consistently meet their regulatory obligations.

Performance Measures

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[1a] Hectares of restored dormant wells as a percentage of total disturbed dormant area	40%	43%	46%	50%

Data source: Identification of the restored type A dormant wells are confirmed through submissions of restoration declarations from permit holders' data retrieved from BCER database. The hectares are calculated with a standard assumption area of 1.44 ha per site.

Discussion [1a]

This performance measure is a targeted expectation for industry's restoration of certain dormant wells under the [Dormancy and Shutdown Regulation \(DSR\)](#). The percentage of restored hectares is used as an indicator of progress and adherence. As milestones are achieved, there is an expectation of significant growth in the percentage of restored hectares, resulting in improvements to healing the land.

The number of hectares of disturbance that will be restored is a measurement of industry's adherence to the restoration timelines [under Section 15\(3\)\(a\) of the DSR](#). Industry annual reports of restoration activities are evaluated to identify the number of well sites restored which in turn provides the total disturbance of dormant area restored.

As a trusted full life cycle energy regulator, the BCER evaluates the above industry reporting on an ongoing basis to evaluate adherence to the regulation, and includes processes such as: internal report reviews, evaluation against technical databases, field confirmation through inspections and the Certificate of Restoration Audit Program.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[1b] Percentage of high-priority corrective action plans outstanding within allocated timelines	<1%	<1%	<1%	<1%

Data source: Corrective Action Data, contained within a spreadsheet in BCER TEAMS.

Discussion [1b]

Public Safety is at the core of BCER’s mandate. Pipeline and facility integrity management programs are a key component of the BCER’s regulatory framework ensuring pipelines and facilities are operated in a manner that is safe and environmentally responsible. The BCER conducts audits for compliance. High-priority corrective actions are assigned to permit holders where an audit has identified a core integrity management process has not been developed or fully implemented by the permit holder.

This performance measure focuses on pipeline and facility integrity management by demonstrating identified corrective actions have been completed within the allocated timeline.

The target fosters public trust as energy activities are being held to a high standard of public safety and environmental responsibility.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[1c] Progress of oil and gas industry targets in reducing methane emission ³ from 2014 levels identified in the CleanBC Roadmap to 2030	45%	55%	60%	65%

Data source: Ministry of Environment and Parks industrial greenhouse gas reporting.

Discussion [1c]

The performance measure tracks how industry meets the CleanBC target of methane reduction by 75 per cent from 2014 levels by 2030 and near elimination by 2035. Based on the provincial inventory of greenhouse gas emissions, baseline methane emissions from the oil and gas sector in 2014 were 3.3 million tonnes of CO₂ equivalent. The BCER will integrate newly available regulatory tools into its processes, aiming to boost the efficiency and effectiveness of current data recording methods. This integration is expected to result in improved accuracy and timely data in measuring industry methane emissions.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[1d] Reduce the number of facility technical amendment application decisions year-over-year, compared to a defined baseline, while ensuring safety and compliance are maintained	New	20%	25%	30%

Data source: Baseline calculated as the median of Fiscal Years 2022–2024.

³ Methane is a greenhouse gas and increased concentrations in the atmosphere contribute to climate change. Reducing methane emissions from oil and gas operations is recognized as one of the most effective ways to reduce greenhouse gases.

Discussion [1d]

This performance measure evaluates BCER's efforts to reduce the number of lower risk facility technical amendments by comparing reductions achieved against a predetermined baseline, calculated as the median of fiscal years 2022–2024. By targeting reductions, it aims to minimize administrative burdens and redirect technical resources toward higher-risk, higher-value regulatory activities, aligning with BCER's strategic priorities. Achieving these reductions will require a cultural and operational shift, supported by leadership and process improvements, to eliminate low-impact tasks while maintaining safety and compliance standards. This metric underscores BCER's commitment to creating a more efficient and responsive regulatory environment.

Goal 2: Meaningful Reconciliation & Partnership with Indigenous Peoples

The BCER honours Indigenous rights, titles, and values as foundational in our decision-making and apply this in all facets of our work with First Nations and Indigenous communities as partners in building B.C.'s energy resource future.

Objective 2.1: Effective Government to Government Relations with First Nations.

We work in partnership with First Nations to advance solutions and increase community well-being.

Key Strategies

- Invite First Nations to explore ways to evaluate the effectiveness of BCER's regulatory measures and its overall government to government relations.
- Refine and streamline the application referral, consultation and permitting processes ensuring meaningful input and active participation from First Nations.
- Continue commitment to the co-development of the [Aboriginal Liaison Program](#) (ALP) to build collaborative compliance and enforcement programs through agreements with First Nations.

Discussion

Reconciliation is complex and cannot be fully captured by a single measure. However, by selecting targeted strategies and measures, the BCER aims to demonstrate meaningful progress in improving relationships with First Nations. These efforts reflect the organization's commitment to shifting from transactional interactions to long-term, enduring government-to-government relationships. To support this goal, the BCER is piloting a new approach using a questionnaire conducted in an interview format, either in person or virtually. This questionnaire is designed to evaluate whether First Nations are experiencing positive effects from the BCER's reconciliation efforts and whether progress is being made toward achieving desired outcomes. By gathering qualitative insights, the BCER seeks to foster trust, collaboration, and mutual understanding as foundational elements of reconciliation.

The BCER is committed to transforming its engagement approach, including refining and streamlining the application referral, consultation, and permitting processes, to address First Nations’ ability to meaningfully exercise their rights. This transformation involves working closely with First Nations to identify barriers and co-develop solutions that enhance their participation in land use and resource management decisions. By embedding meaningful input into process improvements, the BCER ensures inclusivity and recognizes the rights and interests of First Nations. This operational commitment demonstrates the BCER’s dedication to modernizing regulatory processes, enhancing stewardship, and promoting reconciliation in the public interest.

The Aboriginal Liaison Program (ALP) directly supports the objective of building effective government-to-government relations with First Nations. By honoring Indigenous rights, titles, and values as foundational to decision-making, the ALP provides a collaborative framework that enhances mutual understanding and respect. The program establishes strong partnerships by promoting communication, empowering communities with knowledge, and integrating Indigenous knowledge into resource management practices. Through the ALP, Liaisons are empowered to represent their communities, participate in training, and actively contribute to oversight, ensuring their perspectives and values are embedded in regulatory processes. This initiative exemplifies the commitment to working as partners with First Nations in shaping B.C.’s energy resource future while advancing reconciliation and shared stewardship.

Performance Measures

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[2a] Percentage of BCER staff who have participated in learning opportunities to improve their understanding of Indigenous peoples	98%	100%	100%	100%

Data source: Internal tracking of annual Individual Development Plans and attendance at the BCER’s learning events. Targets are based on an employee count of 275.

Discussion [2a]

The performance measure will be based on internal audit of employees’ participation in individual and organizational learnings on Indigenous peoples’ knowledge and experiences. The BCER expects by implementing the Indigenous Learning and Development Plan, we will build understanding of the history of Indigenous Peoples in Canada that will assist in ensuring appropriate consideration and incorporation of Indigenous interests into business practices across the regulatory life cycle.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[2b] Percentage of expenditures under the Orphan Site Reclamation Fund directed to Indigenous owned or partnered service providers	10%	10%	10%	10%

Data source: Internal audit documents

Discussion [2b]

The performance measure reflects the BCER’s dedication to ongoing collaboration with First Nations in the restoration of orphan sites by actively supporting the participation of Indigenous-owned and partnered companies within the restoration sector. The BCER aims to allocate contracts and subcontract opportunities to these businesses from the annual work plan expenditures, thereby contributing to the economic well-being and sustainability of Indigenous communities.

In FY 2025/26, the BCER will focus on strengthening engagement with Indigenous service providers, addressing barriers to participation, and implementing enhanced data tools to effectively monitor and report progress. This approach ensures alignment with the BCER’s broader goals of economic reconciliation and environmental stewardship.

Performance Measure	2024/25 Forecast	2025/26 Target	2026/27 Target	2027/28 Target
[2c] Cumulative number of orphan sites reclaimed	240	290	350	410

Data source: Internal audit of documents

Discussion [2c]

This performance measure tracks the completion of final reclamation activities on orphan sites, highlighting progress in reducing environmental impacts and restoring lands to productive use. A site is considered reclaimed once all closure activities are complete, including decommissioning infrastructure, improving environmental quality, redistributing soils, and establishing appropriate vegetation to restore the site’s ecological function.

Reclamation is a multi-year process requiring sequential and progressive actions, such as equipment removal, soil remediation, and ecological restoration. The cumulative count of reclaimed sites reflects the culmination of these efforts over time. Looking ahead, the BCER aims to maintain a steady pace of reclamation activity while incorporating improved techniques and practices to ensure sustainable restoration outcomes. These efforts contribute to reducing cumulative impacts and returning orphan sites to productive and environmentally sound conditions.

Goal 3: A Healthy, Empowered, Inclusive, and Modern Workforce

The BCER strives to be a safe, diverse, and modern workplace of choice that embraces collaboration and continuous improvement, and where our people are engaged and empowered.

Objective 3.1: Empowerment, Diversity of Thought, & Collaboration

Our people are valued for their expertise, diverse perspectives and lived experience, and are empowered with the leadership, training, technologies, and tools to work effectively and collaboratively in advancing the work of the BCER.

Key Strategies

- Continue to implement the BCER Workforce Plan and pursue opportunities, including the use of advanced analytics, to provide insights from existing data or new data sets to strengthen analysis and decision-making.
- Pursue an inclusive, supportive culture across the BCER by expanding diversity and inclusion training and working collaboratively with the Equity, Diversity, and Inclusion (EDI) Advisory Committee to identify and implement appropriate actions and measures.
- Complete implementation of the updated corporate governance structure, including a comprehensive and modern policy framework.

Discussion

Appreciating the expertise, varied perspectives, and real-world experiences of our employees, the BCER is committed to cultivating a healthy, empowered, inclusive and modern workforce. Informed by both data and direct employee feedback, our objective is to anticipate current and future needs while staying aligned with our strategic direction.

Presented within the BCER Workforce Plan, this comprehensive roadmap outlines our commitment to continuous improvement, ensuring the organization is well-prepared to achieve its goals, and embodies the values of a healthy, empowered, inclusive, and modern workforce. As the organization looks towards the future, development of current and future leaders is crucial to maintaining our expertise and experience. Focus on Leadership Development and Succession Management for the BCER is a critical component of the Workforce Plan and will allow the organization to meet its commitments under the 3 Year Strategic Plan.

Our EDI Advisory Committee has become a valued group in the BCER's efforts in supporting the organization to develop, grow, and empower our workforce. The committee will continue to be a resource for learning, leadership development, and succession planning.

The BCER's ongoing implementation of its Policy Framework is a critical component of its multi-year policy renewal project, aimed at supporting modern and transparent governance. This renewal effort is designed to remodel the BCER's policy environment to ensure policies are consistent, responsive, and focused on achieving organizational objectives. By

strengthening alignment and collaboration, clarifying and enhancing decision-making processes, and valuing diversity and inclusion, the Policy Framework lays the foundation for effective governance. These efforts demonstrate the BCER’s commitment to creating management and implementation tools that reflect contemporary governance principles while fostering trust, accountability, and inclusivity in its operations.

Performance Measures

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
[3a] Voluntary staff turnover rate	≤10%	≤10%	≤10%	≤10%

Data source: Internal database.

Discussion [3a]

The performance measure reflects our commitment to transition into a modern workplace that positions the BCER as an employer of choice. The performance measure tracks the progress by maintaining a staff turnover rate below 10 per cent and will be based on voluntary departures from the organization. This target is consistent with other public service agencies.

Financial Plan

Financial Summary

\$000s	2024/25 Forecast	2025/26 Budget	2026/27 Plan	2027/28 Plan
Operations				
Revenues				
Industry Levies	\$61,153	\$61,585	62,655	65,175
Application Fees and Other	15,633	12,900	12,550	12,500
Total Revenue from Operations	76,786	74,485	75,205	77,675
Expenses				
Salaries and Benefits	40,566	44,270	45,140	46,020
Indigenous Funding	6,067	6,260	6,260	6,260
Other Operating	27,741	23,955	23,805	25,395
Total Expenses from Operations	74,374	74,485	75,205	77,675
Annual Surplus from Operations	\$ 2,412	\$ -	\$ -	\$ -
Orphan Site Reclamation Fund (OSRF)				
OSRF Revenues				
Orphan Site Restoration Levy	\$15,000	15,000	15,000	15,000
Interest	773	500	400	400
Total Revenue from OSRF	15,773	15,500	15,400	15,400
OSRF Expenses				
Discretionary Reclamation	11,700	9,000	9,000	9,000
Obligatory Orphan Site Estimates	193	4,900	4,800	4,800
Salaries and Benefits	1,248	1,300	1,300	1,300
Other Administration	883	300	300	300
Total Expenses from OSRF	14,024	15,500	15,400	15,400
Annual Surplus from OSRF	1,749	-	-	-
Total Annual Surplus	\$4,161	\$ -	\$ -	\$ -

Additional Information				
Total Debt	\$ -	\$ -	\$ -	\$ -
Accumulated Surplus	14,797	14,797	14,797	14,797
Capital Expenditures	\$5,049	\$6,000	\$6,000	\$6,000

Note: The above financial information was prepared based on Canadian public sector accounting standards.

¹The BCER's policy is to accrue the obligatory estimated costs to protect the environment and public at time of orphan designation.

²Discretionary reclamation costs, used to restore land to a standard, are expensed as incurred and are separate from obligatory estimates.

Key Forecast Assumptions, Risks and Sensitivities

The BCER's main revenue source is from industry levies, with a sizable portion coming from a gas production levy. Production volume forecasts, which are provided by the Ministry of Energy and Climate Solutions, are projecting modest increases for the next three years compared to 2024/25 levels. The BCER also receives revenue from levies on oil production, pipelines & large LNG facilities, application fees, and interest.

Estimates for industry levies do not include funding for the BCER to act as the one-window regulator for the North Coast Transmission Line (NCTL) and other high-voltage electricity transmission projects. Legislative amendments expected in spring 2025 will enable the BCER to recover associated regulatory costs.

The BCER's main financial risk exposure relates to the OSRF and the potential insolvency of industry permit holders. If insolvencies occur among industry permit holders, the recognition of obligatory orphan site estimates may exceed annual revenue from the OSRF, which is funded by industry through the Orphan Site Restoration Levy. As accounting standards require the liability for orphan sites to be recorded up front, this can impact the BCER's ability to balance its budget on an annual basis.

The BCER's three-year financial outlook is consistent with the financial information in the government's fiscal plan and is based on the key assumptions therein. The BCER has no major capital plans more than \$50 million as defined by the Budget Transparency and Accountability Act. Cash flow required to fund capital will be provided by operations. The BCER has zero debt and does not expect to incur any during the next three years.

Management's Perspective on Financial Outlook

The BCER's financial outlook with comparative revenues, expenses, and capital spending over the Service Plan years 2025/26 to 2027/28 is outlined in the financial summary table. Key assumptions influencing the financial position of the BCER are in line with risks, uncertainties and operational influences discussed within the Strategic Direction and Operating Environment sections.

Appendix: Mandate Letter from the Minister Responsible



Date:

Chris Hayman
Chair
Board of Directors
BC Energy Regulator
2950 Jutland Road
Victoria, BC V9T 5K2

Dear Mr. Hayman,

On behalf of Premier Eby and the Executive Council, I would like to extend my thanks to you, your board members and your organization's leadership for your dedication, expertise, and service to the people of British Columbia.

Public sector organizations – including Crowns, Health Authorities and Post Secondary Institution Boards – support British Columbians by delivering vital public services and are accountable to the public through their responsible Minister. Your leadership in advancing and protecting the public interest strengthens trust in public institutions.

You are serving British Columbians at a time when people in our province continue to recover from and respond to the upheaval caused by the COVID-19 pandemic, an ongoing toxic drug crisis, climate-related natural disasters, and while global inflation is driving up costs. Now more than ever, we need to focus on building a prosperous, low-carbon, sustainable economy, and a province where everyone can find a good home – in rural areas, in cities, and in Indigenous communities.

This mandate letter, which I am sending in my capacity as Minister responsible for the BC Energy Regulator (BCER), sets out overarching principles relevant to the entire public sector and specific direction on priorities and expectations for your organization for the remainder of Government's term.

Government and public sector organizations must continue to advance results that people can see and feel in these key areas: strengthened health care, safer communities, attainable and secure housing, and a clean and fair economy that delivers affordability and prosperity.

In doing so, you will continue working towards lasting and meaningful Reconciliation by supporting opportunities for Indigenous Peoples to be full partners in the province we are building together, and delivering on specific commitments as outlined in the *Declaration on the Rights of Indigenous Peoples Act* action plan.

As required by the *Climate Change Accountability Act*, please ensure your organization implements targets and strategies for minimizing greenhouse gas emissions and managing climate risk, including achieving carbon neutrality each year and aligning with the CleanBC target of a 50% reduction in public sector building emissions and a 40% reduction in public sector fleet emissions by 2030. Your organization is expected to work with government to report out on these plans and activities as required by legislation.

Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. The public sector has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every public sector organization has a role in this work. As part of this work, your organization is expected to adopt the Gender-Based Analysis Plus (GBA+) lens to ensure gender equity is reflected in your operations and programs.

British Columbians expect that public sector organizations operate in a responsible manner to deliver quality services equitably in all regions of the province. This requires strategic stewardship of planning, operations, and policies in the areas of financial, risk, and human resource management including information security and privacy protection.

The protection of government data and networks is a priority, especially where it concerns personal information of British Columbians. Public sector organizations must maintain up to date systems and effective cybersecurity practices, including maintaining current information management and cybersecurity policies, guidelines and standards; evaluating your organization against industry standards; and maintaining appropriate security and privacy practices. The Office of the Chief Information Officer within the Ministry of Citizens Services is available to support and offer guidance to your organization in any of these areas.

Public sector organizations must also implement and maintain an effective fraud risk management strategy. The Office of the Comptroller General and the Risk Management Branch in the Ministry of Finance are available for consultation.

The Crown Agencies Secretariat (CAS) in the Ministry of Finance supports public sector organizations to operate effectively, in the public interest, and aligned with government's strategic direction and priorities. Within CAS, the Crown Agencies and Board Resourcing Office (CABRO) will continue to support you and your board on recruitment, appointments and professional development, as well as ensuring Board composition and governance reflects the diversity of our province. CAS can support you in public sector governance best practices, policy and planning.

In addition to continuing to make progress on your 2021 mandate letter, I expect you to ensure the important priorities and areas of focus listed in this letter are incorporated into the practices of your organization and develop plans to address the following new priorities within your approved budget:

- Continue to transform the BCER's Indigenous engagement approach including the application referral, consultation and permitting processes to address the First Nations' ability to meaningfully exercise their rights. These efforts will be guided by ongoing implementation of *the Declaration on the Rights of Indigenous Peoples Act*, and the recently signed Treaty 8 and Blueberry River First Nations Agreements in conjunction with First Nations.
- Build effective regulatory frameworks that enable British Columbians to transition into low-carbon emission sources of energy and that are responsive to a changing environment and continue engagement with those affected by energy resource development.
- Continue to improve BCER's compliance and enforcement activities to ensure that companies/operators meet their regulatory obligations, working in collaboration with the Environmental Assessment Office and other agencies.

Each board member is asked to sign this letter to acknowledge this direction from government to your organization. The signed letter is to be posted publicly on your website by summer 2023.

I look forward to continuing to work with you and your Board colleagues to meet the high standards set for us by all British Columbians.

Sincerely,



Josie Osborne
Minister

Date: July 16, 2023

cc: Honourable David Eby, KC
Premier

Shannon Salter
Deputy Minister to the Premier, Cabinet Secretary and Head of the BC Public Service

Heather Wood
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Mary Sue Maloughney
Associate Deputy Minister, Crown Agencies Secretariat
Ministry of Finance

Shannon Baskerville
Deputy Minister
Ministry of Energy, Mines and Low Carbon Innovation

Kevin Brewster,
Director

Ken Cameron,
Director

Patrick Kelly,
Director

Natascha Kiernan,
Director

Sharon Singh,
Director

Michelle Carr
Chief Executive Officer/Commissioner
BC Energy Regulator



Chris Hayman,
Chair



Shannon
Baskerville, Director



Kevin Brewster,
Director



Ken Cameron,
Director



Patrick Kelly,
Director



Natascha Kiernan,
Director



Sharon Singh,
Director