

Federal Stimulus Funding – for Restoration Work

As part of its COVID-19 pandemic stimulus package, announced April 17, 2020, the Federal Government is providing \$120 million to complete restoration work on orphan, dormant and legacy sites in northeast B.C.

The funding is provided by Canada through a partnership agreement between the Province of British Columbia and the Government of Canada. The funding is administered by the BC Oil and Gas Commission (Commission), and the B.C. Ministry of Energy, Mines and Low Carbon Innovation (EMLI).

There is \$100 million to decommission, assess and restore dormant sites, \$15 million towards orphan site restoration and \$5 million to clean up legacy disturbances.

Dormant Sites

The Commission regulates the timely restoration of dormant sites through the Dormancy & Shutdown Regulation (DSR). While we oversee permit holder's adherence to this regulation, the \$100 million in stimulus funding is being delivered by the Ministry of Energy, Mines and Low Carbon Innovation. Service Sector companies may apply to the ministry for grants up to \$100,000 or 50 per cent reimbursement (whichever is less) of money spent on activities required under the DSR completed prior to Dec. 31, 2022.

Any additional funding required for the activities would be provided by the permit holder.

For more information on how these funds are administered, please visit the ministry's website.

Orphan Sites

The \$15 million directed toward orphan site restoration is managed by the Commission under the Orphan Sites Supplemental Reclamation Program. This will be a one-time program that is in addition to our normal operations.

Each year, the Commission creates plans to carry out restoration work with the goal of restoring orphan sites within 10 years of their designation. This year, we are carrying out a \$30 million program that is funded entirely by industry permit holders. This is in addition to the \$15 million program made possible by the federal stimulus funds, which will result in a significant increase in the amount of restoration work on orphan sites.

More specifically, the funds are being managed with B.C. service providers to carry out the abandonment of up to 20 wells, the decommissioning of more than 50 equipment sites, the remediation of more than 20 sites, and the reclamation of up to 30 sites.

With the goal of creating opportunities for Indigenous and non-Indigenous service providers in B.C., we are measuring and reporting on where the federal funds are being spent on orphan sites:

Reporting Measures	Original Estimate	To date
BC-Registered Contractors	\$15 million	\$5.55 million
Portion for Indigenous	\$1.5 million	\$1.54 million
Service Providers		
Number of workers	700	704



> For more information on how we manage orphan sites, please visit our <u>webpage</u>.

Legacy Sites

The remaining \$5 million set aside for legacy sites programs will be managed within an existing MOU including industry, government (Ministries of Energy, Mines and Low Carbon Innovation and Forests, Lands and Natural Resource Operations and Rural Development) and the Commission. The MOU establishes a Management Committee (MC), consisting of signatories to the MoU. This Management Committee will guide the development and implementation of the Legacy Sites Reclamation Program, and will be developing partnerships with Treaty 8 Communities and local Governments.

These funds will be administered by BC Oil and Gas Research and Innovation Society (BC OGRIS) and added to the approximately \$1.5 million in existing funds dedicated to reclamation work.

> For more information on this program, visit the <u>BC OGRIS</u> website.

For additional inquiries or more information, email: OGC.Communications@bcogc.ca