



BC Oil and Gas Commission Issues First Geothermal Resource Well Authorization

The BC Oil and Gas Commission (Commission) has issued geothermal resource well authorizations to Borealis Geopower Inc. for four thermal gradient wells on its Canoe Reach Geothermal Project, south of Valemount B.C.

Borealis Geopower Inc. is a renewable geothermal energy company based in Calgary, Alberta with plans to drill geothermal wells to produce renewable power and heat.

The well authorizations will allow the company to begin drilling for collection of geotechnical and temperature gradient information.

The Commission issued the well authorizations on May 29, 2018 and represents the first time the Commission has issued a well authorization under the Geothermal Resource Act. The Commission was made the provincial regulator of geothermal resources on March 31, 2017.

The Geothermal Resources Act governs development and use of geothermal resources (80 degrees Celsius and above) and the Commission has jurisdiction over the operational requirements.

The Commission is the provincial single-window regulatory agency responsible for regulating oil and gas operations in B.C., and has direct authority over technical aspects of geothermal resource authorizations, such as wells and facilities. Companies are required to work through other agencies, such as the Ministry of Energy, Mines and Petroleum Resources, the Ministry of Forests, Lands, Natural Resource Operations and Rural Development and the Ministry of Environment and Climate Change Strategy to gain permits for related geothermal activities, such as tenure and land access.

A backgrounder follows.

Should you have any questions regarding this Industry Bulletin, please contact:

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Backgrounder

Geothermal Resources

Geothermal energy is the heat contained within the rock and fluids in the earth's crust. It can be used directly to provide heat, or indirectly to produce electricity. High temperature geothermal resources with a temperature at surface in excess of 80°C can be used to produce electricity and are governed by the *Geothermal Resources Act*. Generally, a viable high temperature geothermal resource has three characteristics:

- Heat
- Water
- Permeability in the heat reservoir

The Commission's Role

The Commission is a regulatory agency with responsibilities for overseeing geothermal resource operations in British Columbia, including exploration, development, pipeline transportation and reclamation.

Before the Commission can consider an application, a geothermal resource company must first demonstrate it holds geothermal resource subsurface tenure. Tenure is acquired through a competitive bidding process from the Ministry of Energy, Mines and Petroleum Resources.

The Commission's core roles include reviewing and assessing applications for geothermal resource industry activities, consulting with First Nations, ensuring the geothermal resource industry complies with provincial legislation and cooperating with partner agencies. The public interest is protected through the objectives of ensuring public safety, protecting the environment and conserving energy resources.

Regulatory responsibility of the Commission extends from the exploration and development phases, through to facilities operation and ultimately decommissioning. It is charged with balancing a broad range of environmental, economic and social considerations.

Acts & Regulations

In addition to the Geothermal Resources Act, there are regulations in place that govern the development and use of geothermal resources in British Columbia.

- [Geothermal Resources Act](#)
- [Geothermal Operations Regulation](#)
- [Geothermal Geophysical Exploration Regulation](#)
- [Geothermal Resources General Regulation](#)

Further information related to geothermal energy development in British Columbia can be found [here](#).

