

# Annual Report

Fiscal Year 2021/22



# Annual Report on the BC OGRIS (2021/22)

## About BC OGRIS

The BC Oil and Gas Research and Innovation Society (BC OGRIS)<sup>1</sup> is a stand-alone organization which focuses on addressing knowledge gaps to inform environmental, operational and health and safety policy and industry practices related to oil and gas exploration and development in BC. BC OGRIS also supports the planning and implementation of environmental, operational and health and safety programs in the oil and gas sector of B.C.

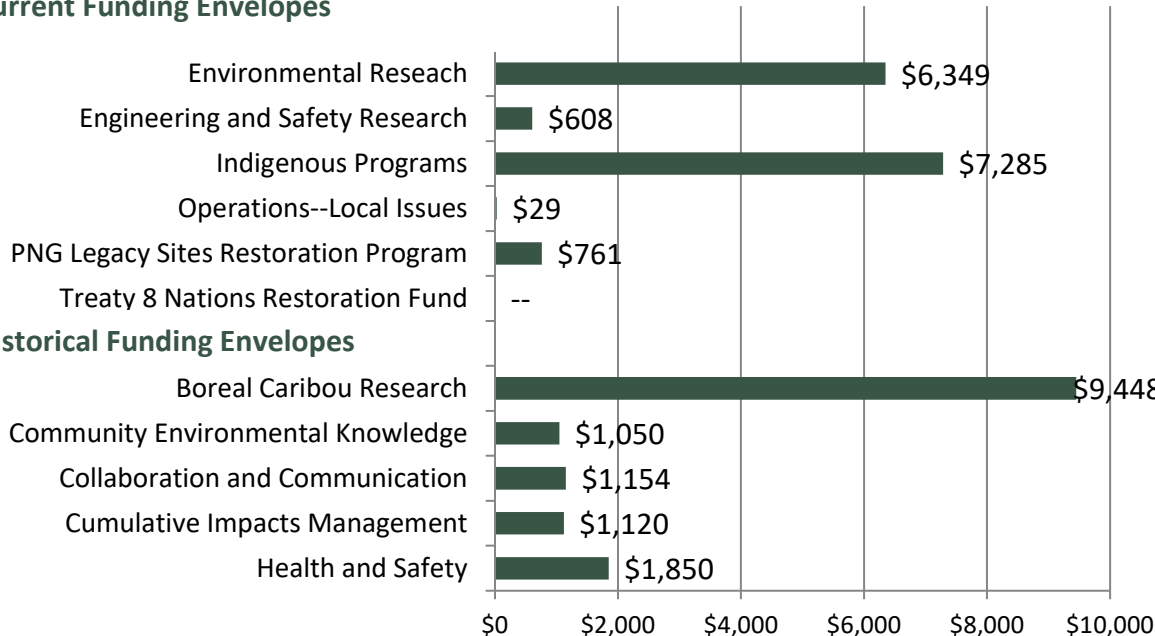
As a not-for-profit society, BC OGRIS receives investments, funds research projects and initiatives and provides governance and quality assurance over projects we support.

This report summarizes project, extension and financial activity. Key values of cross sector representation, accountability and governance with low overhead combine to make BC OGRIS a valued research entity in the B.C. oil and gas sector.

The chart below summarizes over 20 years of research investment since inception in 1999—initially as the Environmental Fund that evolved into the Science, Community and Environmental Knowledge (SCEK) Fund and now BC OGRIS.

## Investment To-Date (000's)\*

### Current Funding Envelopes



\* Since project expenditures commenced in 1999.

<sup>1</sup> Formed in 2015, BC OGRIS carried on business previously conducted as the Science and Community Environmental Knowledge (SCEK) Fund.

## Project Funding Envelopes

Envelopes for funding projects are listed below. Information and deliverables from projects supported can be found at: [www.bcogris.ca](http://www.bcogris.ca).

### Environmental Research

Addressing knowledge gaps related to the impact of oil and gas activities on methane and climate change, water, seismicity and air—focused on data collection and avoiding, minimizing and/or mitigating the impact of oil and gas activities in these environmental areas. In 2021/22, research focused on:

- Methane and Climate Change—supporting research identified by the BC Methane Research Consortium. New projects to support research in the area of climate change and the oil and gas sector will be funded under this envelope as knowledge gaps are identified.
- Water—establishing ground water chemistry baselines and monitoring streamflow in small watersheds.
- Seismicity—working with the BC Seismic Research Consortium to carry out research to improve the understanding of induced seismicity and hydraulic fracturing. This includes a decade of supporting the Northeast BC Seismic Array Network in monitoring and reporting on seismic activity in areas around oil and gas activities. In 2022/23, five research projects with universities and recognized experts were started to deepen our understanding of induced seismicity—including modeling and analyzing seismic events, geohazards and geomechanical impacts.
- Air—addressing knowledge gaps as they emerge on the relationship between oil and gas activities and air quality.

Expenditures (2021/22) (000s)	Projects (2021/22)	Partnerships (% BC OGRIS funding)	Planned Expenditures (2022/23) (000s)
<b>\$539</b>	<b>11</b>	<b>90%</b>	<b>\$597</b>

## Project Funding Envelopes (cont.)

### Engineering and Safety Research

Addressing knowledge gaps in engineering and safety in the areas of pipelines, wells, facilities, and other related areas. In 2021/22, research focused on:

- Studying the risk to pipelines from corrosion and geohazards. This project will complete in 2022/23.
- Studying the agricultural productivity of soil on restored pipeline corridors.
- Enhancing our understanding of plug and abandonment practices. This project will complete in 2022/23.

Expenditures (2021/22) (000s)	Projects (2021/22)	Partnerships (% BC OGRIS funding)	Planned Expenditures (2022/23) (000s)
<b>\$75</b>	<b>3</b>	<b>83%</b>	<b>\$77</b>

### Indigenous Programs

Building relations and common understanding by engaging Indigenous peoples in the oversight of resource development and management activities. In 2021/22, BC OGRIS funding supported the following:

- Aboriginal Liaison Program—supporting 11 Liaison positions representing 10 First Nations in carrying out environmental monitoring programs including training for monitoring of disturbances associated with oil and gas development. This includes activities to improve collaboration and communication between industry, regulators, government agencies, and indigenous peoples to assist the First Nations community in understanding how the health and well-being of land, water, wildlife and air values are protected.
- Indigenous Restoration (Pilot) Projects—supporting First Nation participation in pilot projects to build restoration knowledge and skills through the exploration of culturally and environmentally appropriate restoration methods. This includes communication activities to explain the purpose and activities involved in restoration.

Expenditures (2021/22) (000s)	Projects (2021/22)	Partnerships (% BC OGRIS funding)	Planned Expenditures (2022/23) (000s)
<b>\$1,738</b>	<b>13</b>	<b>100%</b>	<b>\$2,087</b>

## Project Funding Envelopes (cont.)

### Operations—Local Issues

A funding envelope for researching and addressing local issues of an operational nature. This includes knowledge gaps around noise, light, traffic densities and other factors related to oil and gas activities at the local (community) level. This new funding envelope started in 2021/22 with a study on low frequency noise and meteorological conditions around oil and gas facilities. Additional projects will occur in 2022/23 to provide information on induced seismicity and air monitoring to local communities.

Expenditures (2021/22) (000s)	Projects (2021/22)	Partnerships (% BC OGRIS funding)	Planned Expenditures (2022/23) (000s)
<b>29</b>	<b>1</b>	<b>100%</b>	<b>\$172</b>

### Petroleum and Natural Gas (PNG) Legacy Sites Restoration Programs

Supporting restoration of legacy petroleum and natural gas seismic lines and other ancillary features in Northeast B.C. Restoration projects incorporate both ecological and traditional knowledge and are undertaken in a manner that respects Indigenous culture and Treaty rights. In 2021/22, nine projects in partnership and involvement with seven B.C. Treaty 8 First Nation were underway.

Expenditures (2021/22) (000s)	Projects (2021/22)	Partnerships (% BC OGRIS funding)	Planned Expenditures (2022/23) (000s)
<b>\$541</b>	<b>9</b>	<b>100%</b>	<b>\$3,146</b>

## Project Funding Envelopes (cont.)

### Treaty 8 Nations Restoration Fund

A new funding envelope to plan and establish an organization(s) for managing and granting funds for land restoration activities in the Treaty 8 Nations’ traditional territory.

BC OGRIS has signed an agreement to work with a steering committee(s) to create the plan and establish the organization(s) that will manage and grant funding for multi-year restoration projects in Treaty 8 Nations’ traditional territory.

Expenditures (2021/22) (000s)	Projects (2021/22)	Partnerships (% BC OGRIS funding)	Planned Expenditures (2022/23) (000s)
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\* To be determined

## Communications Activity.

Research findings from BC OGRIS funded projects and initiatives are shared with organizations in the oil and gas industry as well as regulators and government agencies, indigenous peoples and other stakeholders.

Activities to communicate project and BC OGRIS wide information include the following:

**BC OGRIS Annual Report**—reporting out to BC OGRIS members on the Society’s research activities and accomplishments.

**BC OGRIS Website**—containing a listing of BC OGRIS projects and initiatives and their deliverables ([www.bcogris.ca](http://www.bcogris.ca)).

**Project/Initiative Specific Communications**—disseminating project and initiative specific activities, findings and implications to applicable industry, regulator and government public interest policy and operations personnel (undertaken by the Researcher).

**Social Media**—disseminating information on projects and funding opportunities via social media.

## Financial Activity

### Contributions

The BC OGRIS Board of Directors targets 95% of contributions going directly to research projects and initiatives with the remainder covering financial and governance activities. This approach of maximizing the spend on research by minimizing administration and overhead is attractive to our contributors as demonstrated by continued contributions year over year.

In 2021/22, we received contributions totalling \$58.16 million:

- The B.C. Ministry of Forests, Lands, Natural Resource Operations and Rural Development (MFLRNORD) provided contributions for specific initiatives in the Indigenous Programs funding envelope.
- The BC Oil and Gas Commission provided a contribution for research in various topics under environmental research, engineering and safety, and operations—local issues.
- The B.C. Ministry of Energy, Mines and Low Carbon Innovation, Oil and Gas Division provided two contributions—one for the PNG Legacy Sites Restoration Program and a second contribution for the purpose of planning and establishing organization(s) for managing and granting funds for land restoration activities in the Treaty 8 Nations' traditional territories.

### Expenditures

Project expenditures in 2021/22 were \$3.0 million—an increase of 37% from the previous year's expenditures of \$2.17 million. Expenditures on management and administration increased by a similar percentage to match the 19 new projects started in 2021/22.

The annual financial audit of the BC OGRIS was completed by external auditors. Copies of the audit statement and the audited financial reports are available on the BC OGRIS website at <http://www.bcogris.ca/about>.

### Governance

BC OGRIS is governed by a Board of Directors consisting of three directors. The Board of Directors met eight times in 2021/22 to select research investments and fulfil duties such as financial and administrative support services for designated projects. The Board places a high value on good governance and maximizing the impact of our contributions by leveraging funding with partners and other research organizations while keeping BC OGRIS specific overhead at three to five percent of project expenditures. Quality assurance over research projects and initiatives to ensure appropriate and applicable research continues to be a high priority for the Board.

Over the past two years we adapted well to COVID-19 restrictions and pre-cautions due to our focus on low overhead and administration. Three projects were delayed due to travel restrictions and carrying out field work—ranging from 3 months to a one year delay.

## Plans for FY 2022/23

<b>Financial</b>	<ul style="list-style-type: none"> <li>• Expenditures of \$6.72 million are forecasted for FY 2022/23 to support existing research and initiatives to completion.</li> <li>• A budget of \$53.84 million is reserved for specific future projects and/or initiatives requested by our partners making contributions to BC OGRIS.</li> <li>• A budget of \$2.34 million is unallocated and available for supporting new research.</li> </ul>
<b>Projects</b>	<ul style="list-style-type: none"> <li>• Complete the current portfolio of projects under the PNG Legacy Sites Restoration Program.</li> <li>• Work with external committee(s) to plan and implement a structure for the Treaty 8 Nations Restoration Fund.</li> <li>• Support exiting projects to completion.</li> <li>• Undertake new projects, as knowledge gaps are identified by contributors, external committees and members.</li> </ul>
<b>Communications</b>	<ul style="list-style-type: none"> <li>• Continue communication activities including an annual report, website and social media posts along with project specific presentations and media releases.</li> <li>• Upgrade website comprising a new look and feel focusing on projects.</li> <li>• Carry out a virtual conference(s) to showcase findings and implications of research projects supported by BC OGRIS.</li> </ul>



The BC Oil and Gas Research and Innovation Society (BC OGRIS) is a B.C. based not-for-profit society with membership from the BC Oil and Gas Commission (Commission), Canadian Association of Petroleum Producers (CAPP), and The Explorers and Producers Association of Canada (EPAC).

## Vision

To continuously improve the understanding and management of the impacts of oil and gas activities in B.C.

## Mission

BC OGRIS supports practical studies and initiatives that develop credible and relevant information to address knowledge gaps to inform environmental, operational and health and safety practices related to oil and gas exploration and development in B.C. BC OGRIS also supports the planning and implementation of environmental, operational and health and safety programs in the oil and gas sector of B.C.

## Contact Us

For further information, please contact the BC OGRIS,  
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[www.bcogris.ca](http://www.bcogris.ca)

[info@bcogris.ca](mailto:info@bcogris.ca)

## In Closing

From our beginning in 1999, we have supported over 190 projects ranging in size from short studies and reports to multi-year projects and initiatives involving multiple researchers and organizations.

We thank all our stakeholders, researchers, technical reviewers and administration team for their assistance in delivering these research projects and initiatives. Your support and assistance enable us to meet our goals and deliver findings that address important knowledge gaps in environmental, technical and social aspects of oil and gas development in B.C.

Comments and questions on this report and/or the BC OGRIS can be sent to [info@bcogris.ca](mailto:info@bcogris.ca).