



# Peace River Regional District

R-4

Box 810, 1981 Alaska Avenue,  
Dawson Creek, B. C., Canada V1G 4H8  
Telephone: 250/784-3200 Fax: 250/784-3201

## REPORT

To: Chair and Directors

From: Rural Directors  
Fred Banham, CAO

Date: November 19, 2009

Subject: **Agricultural Land Commission Stakeholder Meeting**

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### PURPOSE/ISSUE:

The Agricultural Land Commission invited north peace agricultural community stakeholders to a meeting at Farmington Hall November 18<sup>th</sup>.

### BACKGROUND:

Erik Karlsen, Chair of the ALC and Brian Underhill Executive Director of the ALC hosted 24 participants representing the following organizations; Cattleman's Association, Grain Producers, Farmers Institute, Stockmen's, Custodian's of the Peace, Forage Association, NEEMAC, OGC, MEMPR and PRRD rural directors.


Attached is a copy of the meeting agenda and presentation notes presented by the ALC.

Key points of discussion:

- Appointment of a northeast commissioner to the ALC Northern Board
- OGC delegation agreement
- Oil & Gas activity, is it temporary use of ag land or long-term use?
- O & G access to private lands, landowners need the right to say 'No'
- O & G activity need to study health risk to people, live stock & water
- Mediation and Arbitration Board legislation is old and needs updating
- Secure Landfills are not agricultural land use
- OGC Delegation Agreement needs defined roles and responsibilities of industry, education was a suggested solution
- Perception of double standard in ALC approvals between industry and landowners
- Removal of the general order for quarter sections subdivisions
- Farm site severance, benefits to agriculture industry

**Nov 26 2009**

Department Head: \_\_\_\_\_

CAO:  \_\_\_\_\_



## Meeting Agenda

November 18, 2009  
 Farmington Community Hall  
 10:00 am – 1:30 pm  
 (Lunch provided)

**Meeting with the Agricultural Land Commission to Discuss Farming and Oil and Gas Development in the Agricultural Land Reserve in Northeast British Columbia**

<b>Introductions</b>	<b>Erik Karlsen, Chair - ALC</b>
<b>Purpose of Meeting</b>	<b>Erik</b>
<b>Review of Agenda and Handouts</b>	<b>Erik</b>
<b>Presentation – “Oil &amp; Gas Developments and the ALR”</b>	<b>Brian Underhill, ALC</b>
<b>Discussion Topics</b>	
Surface land use impacts associated with oil and gas activities.	
<ul style="list-style-type: none"> <li>• <b>What are the footprint issues – e.g. - size, location and density</b></li> <li>• <b>What are the reclamation issues, e.g.</b> <ul style="list-style-type: none"> <li>○ <b>Soil removal &amp; storage</b></li> <li>○ <b>Soil restoration</b></li> <li>○ <b>Monitoring of storage and restoration success</b></li> <li>○ <b>Ensuring compliance</b></li> </ul> </li> <li>• <b>What are the impacts of current standards (thresholds) on agricultural production on individual farms and industry broadly</b> <ul style="list-style-type: none"> <li>○ <b>7 ha non-farm use per ¼ section</b></li> <li>○ <b>Buildings &amp; structures &lt; 450 sq. meters</b></li> </ul> </li> <li>• <b>Are there net benefits and net losses to farms and the farm industry? What are they?</b></li> </ul>	
<b>Suggestions for future discussions and follow up strategies for the ALC to consider</b>	<b>Erik</b>
<b>Closing Comments</b>	<b>Erik</b>

**Nov 26 2009**



**Agricultural Land Commission**  
133-4940 Canada Way  
Burnaby, British Columbia V5G 4K6  
Tel: 604 660-7000  
Fax: 604 660-7033  
[www.alc.gov.bc.ca](http://www.alc.gov.bc.ca)

November 9, 2009

**To: Invited Stakeholders**

**Re: Invitation to Meet with the Agricultural Land Commission Regarding Farming and Oil and Gas Development in the Agricultural Land Reserve in Northeast British Columbia**

The Agricultural Land Commission (ALC) is the independent provincial agency responsible for the administration of the Agricultural Land Reserve (ALR) throughout British Columbia. The Commission's purpose is to preserve agricultural land, to encourage farming in collaboration with others and to encourage local governments as well as the government and its agents, among others, to accommodate farm use of agricultural land and uses compatible with agriculture in plans, bylaws and policies.

The ALR is a provincial agricultural land use zone within which farm use is permitted and encouraged and non-farm uses and subdivision are restricted. The *Agricultural Land Commission Act* (ALC Act) sets out processes for the inclusion or exclusion of land to and from the reserve and for non-farm use and the subdivision of land within the reserve. The ALC Act is supported by the Agricultural Land Reserve Use, Subdivision and Procedure Regulation. This provides procedures for applications and further defines permitted land uses and subdivisions within the ALR.

The ALC may delegate its non-farm use and subdivision authorities to a local government or authority under a voluntary delegation agreement. Since 2004, the Oil and Gas Commission (OGC) and ALC have had such an agreement in northeast BC for regulating, monitoring and reporting on oil and gas activities in the ALR. It places limits on oil and gas activities and development and makes requirements to minimize the impact of surface disturbance on ALR lands. The ALC continues to make decisions on oil and gas proposals that fall outside of the parameters of the agreement.

The ALC, OGC, Peace River Regional District, farmers, other land owners, and industry are all affected by and have varying experiences and perspectives related to increasing natural gas activity in the BC portion of the Montney shale gas play. Over the past twelve months the ALC has seen a rise in non-farm use applications which exceed the thresholds of activities regulated by the OGC under the delegation agreement. This has resulted from the application of new technology and has raised questions about the long term impact of gas development on the ALR and challenged the ALC's ability to address emerging agricultural land use impacts and to respond to industry proposals in a timely manner.

...2

**Nov 26 2009**

Given the range of issues coming to our attention, we are taking steps to gain a better understanding of the types of surface land use impacts on agriculture resulting from gas activities and how the surface land impacts can be reduced and better managed. We believe that knowledgeable and experienced agricultural leaders such as yourselves as well as other stakeholders familiar with the work of the Commission, are in a position to inform discussions about the range of issues with an aim to assist the Commission as it begins to examine its processes and policy options as they relate to oil and gas development in the ALR.

At this stage, the Commission has identified the participants for this meeting from the membership of the Northeast Energy and Mines Advisory Committee (NEEMAC) and augmented attendance with others that it believes will bring insight and add value to our discussion. The meeting format will involve further elaboration and information on the Commission's objectives as they relate to managing emerging gas development pressures and provide an opportunity for discussion and information exchange.

The Commission wishes to thank Ellen Frisch and Mike Lambert, Executive Directors with the Ministry of Energy, Mines and Petroleum Resources for their guidance and organization in working with the Commission to arrange this meeting. Details include:

Date: Wednesday November 18, 2009  
Time: 10:00am – 1:30pm (Lunch will be provided)  
Location: Farmington Community Hall

We look forward to seeing you. In the event that you cannot attend please contact Brian Underhill, Executive Director, Agricultural Land Commission by e-mail at [Brian.Underhill@gov.bc.ca](mailto:Brian.Underhill@gov.bc.ca) or telephone, 604 660-7000.

Yours sincerely,

Erik Karlsen, Chair  
Provincial Agricultural Land Commission

**Invitees:**

*Jim Collins, Peace River Cattlemen  
Karen Goodings, Chair, Arthur Hadland, Tim  
Caton, Wayne Hiebert, Directors, PRRD  
Shaun Grant, South Peace Grain Producers  
Assoc.  
Larry Houley, Pine River Farmers Institute, BC  
Grain Producers Assoc.  
Maurice Fines, BC Grain Producers Assoc.  
Ted Henderson, South Peace Stockmen's Assoc.  
Bill Bentley, South Peace Stockmen's Assoc.  
Mike McConnell, Regional Peace River  
Stockmen's Assoc.  
Gwen Johansson, Custodians of the Peace  
Society/ Co-Chair NEEMAC*

*Doug Summer, NEEMAC Alternate  
Rick Kantz, Peace River Forage Association  
Irmie Critcher, BC Forage Producers Assoc.  
- Invited but unable to attend  
Paul Dever, NEEMAC  
Erik Karlsen, Chair, Agricultural Land Commission  
William North, Vice Chair, Denise Dowswell,  
Commissioner, North Panel, ALC  
Brian Underhill, Executive Director, ALC  
Simone Rivers, Land Use Planner, ALC  
Ellen Frisch, Executive Director, MEMPR  
Mike Lambert, Executive Director, MEMPR  
Bob Purdon, OGC  
Mark Yawney, Regional Manager, MAL*

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**Nov 26 2009**

# Oil and Gas Developments in the Agricultural Land Reserve

November 18, 2009



## Definitions

### Agricultural Land Reserve (ALR)

- a provincial zone where agriculture is recognized as the priority use & where non-farm uses are regulated & farming is encouraged
- agricultural lands are designated under the Act

### Agricultural Land Commission (ALC)

- the body of appointed individuals (and staff) who administer the ALR boundary and non-farm uses within

*ALR in BC*

## **Agricultural Land Commission Act November 2002**

Purposes of the Commission:

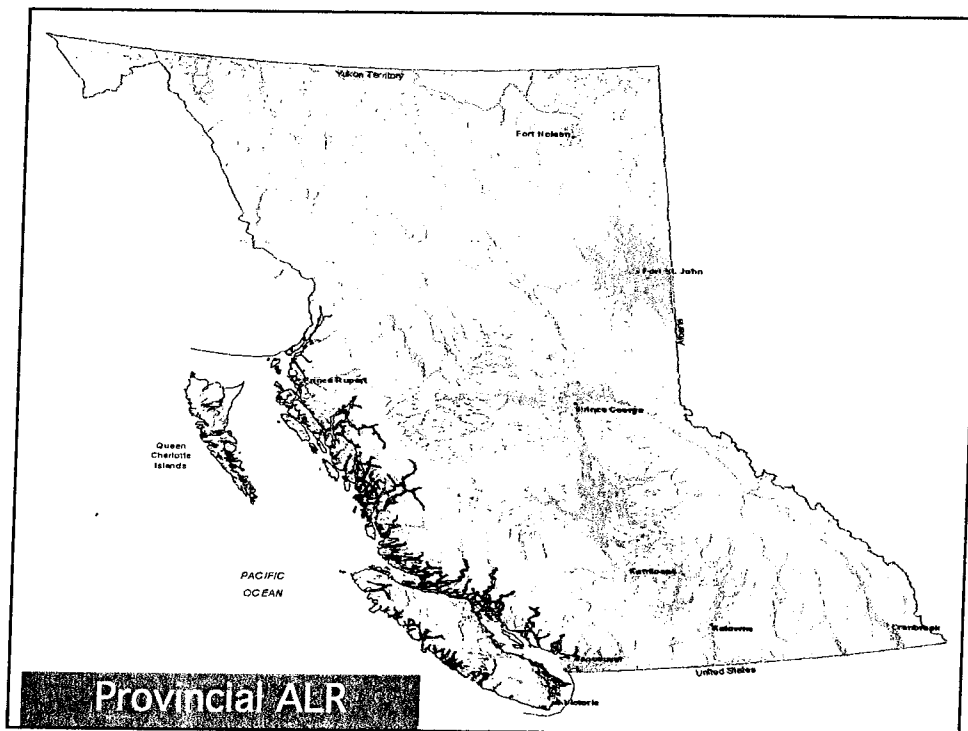
- to preserve agricultural land
- to encourage farming on agricultural land in collaboration with other communities of interest
- to encourage local governments, first nations, the government and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans, by laws and policies

## **Why an Agricultural Land Reserve?**

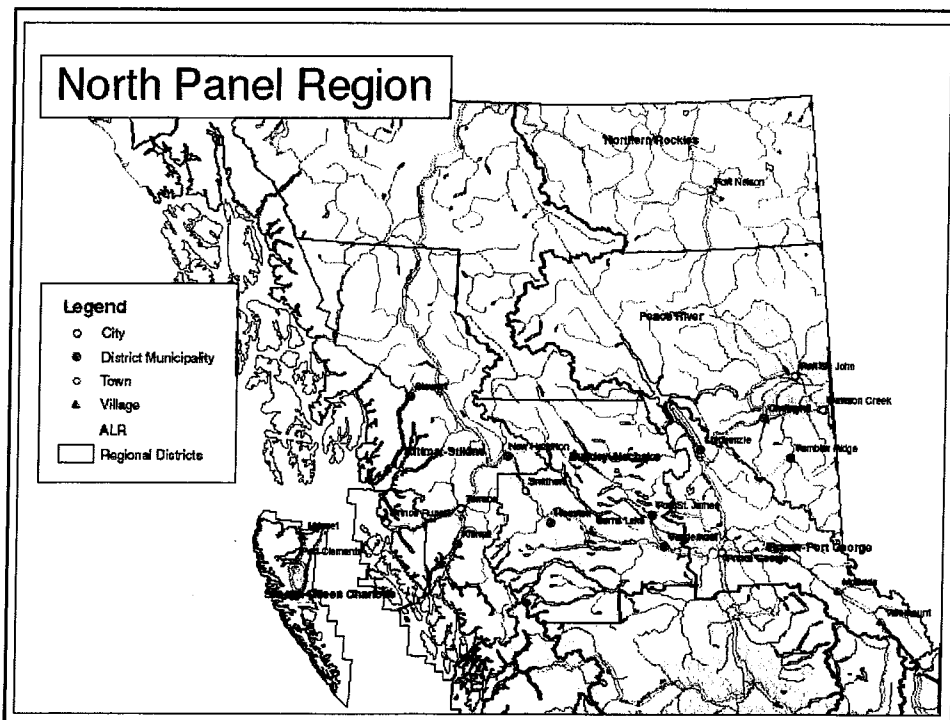
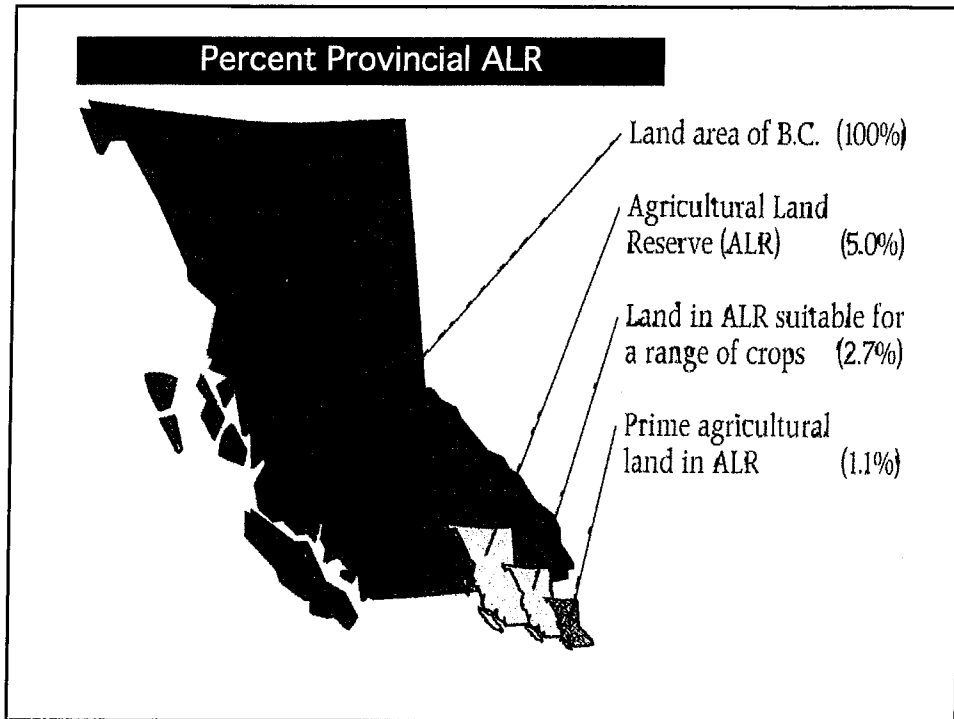
- Limited supply of arable land in BC
- 5% of land base capable of growing crops
- Preserve a valuable resource
- Expanding population in areas with best farmland
- When ag land is converted or used for other purposes it is no longer available for agriculture
- Land base to grow food for BC and for export

## What is the ALR?

- Land Commission Act - 1973
- A provincial zone that favours agriculture
- Established based on Canada Land Inventory - Land Capability for Agriculture mapping
- Ministry of Agriculture and Regional Districts developed ALR plans approved by Cabinet
- Legislation & regulation set out permitted uses

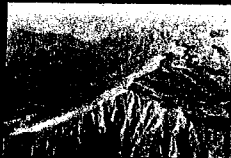


Nov 26 2009



## Land Suitable for Farming in BC

- 5% of the land area of BC is suitable for agriculture (Classes 1-7)
- 1.1% is prime (Class 1) soil



## ALC Concerns with Oil & Gas Uses

- Disturbance and loss of soil resource
- Location, extent and density of oil & gas uses
- Impact on agricultural landscape and land use
- Reducing capability of land for agriculture
- Impingement on field patterns, severance and isolation of productive ag lands
- Appropriate reclamation to ag standard

## History of Oil & Gas Activities in the ALR

Mid-1970's

- Growing oil & gas industry in Peace
- Oil and gas uses require application to ALC
- Many applications & decisions - process slow
- Oil & gas uses considered temporary
- Streamline process - 1st General Order 1976

## Oil and Gas General Orders

- General Orders in Peace Region
  - 1976
  - 1982
- General Order 293/95 - 1995
- Refining & streamlining orders over time
- Delegation to ALC CEO - 1997

## ALC Delegation to OGC

- Amendment to ALCA Section 26 – 2002
- What is Delegation?
- Delegation to OGC
  - only for specified oil and gas uses
  - not for subdivision, inclusion or exclusion

## ALC Delegation to OGC

- Amendment to ALCA Section 26 - 2002
- Delegation enables an authority to make decisions under the ALC Act
- Delegation to OGC April 2004 (2 years)
  - only for specified oil and gas uses in ALR
  - not for subdivision, inclusion or exclusion
- Delegation extended 2006-07
- Delegation amended
- New delegation signed April 1, 2008 (1 year)

## Temporary Use of ALR Land

- most oil and gas uses are considered to be temporary uses in the ALR
- the restrictions on the use of agricultural land remain except as allowed by specific decisions – either by the ALC or a delegated authority.

ALR

ALR

ALR

Ag use

Oil &amp; gas

Reclaim

Ag use

## Three Streams

### Stream 1- Specified Exempted Uses

- Subject to conditions

### Stream 2- ALC Act Decision Delegated to OGC

- Only for specified oil and gas uses
- Subject to conditions

### Stream 3 - ALC Act Decisions by ALC

- Via regular local government process

## Stream Risk Summary

Risk and impact on agricultural land base	Requirements and decision-making
Stream 1. Lower risk and lower impact	No ALC Act application required if conditions met
Stream 2. Moderate risk and impact	ALC Act application to OGC for decision
Stream 3. Higher risk and increased impact	ALC Act application to local govt & then to ALC for decision

## Stream 1 - Exempted Uses

Schedule A & B required

Submit to OGC

- All pipelines & directly related surface facilities
- 3 stand alone wellsites per quarter section
- New well on existing lease







## **Process for Stream 1 Exempted**

- Surface landowner approval or MAB Order
- Submit Schedule A Report
  - to surface landowner & OGC
  - OGC staff review to ensure info. complete
- Submit Schedule B Report
  - to surface landowner & OGC
  - OGC staff review for appropriate reclamation
  - submit prior to COR request for wells and other activities
  - submit within 24 months after reclamation for pipelines

## **Process for Stream 2 ALCA Application to OGC**

- Non-farm use application direct to OGC
- Surface landowner approval or MAB Order
- Schedule A Site Assessment Report
- Decision made under ALCA by OGC
- Notification of application decision to sub-surface and surface owners
- Schedule B Report following reclamation

## Process for Stream 3 - ALCA Application to ALC

- ALCA non-farm use application to local government (like all other non-farm uses)
- Surface landowner approval or MAB Order
- Schedule A Site Assessment Report
- Local govt. decision to forward to ALC
- ALC North Panel decision
- Notification of application decision to sub-surface and surface owners
- Schedule B reclamation report (to ALC)

## Compliance & Enforcement

- Remedial enforcement actions include:
  - Inspections
  - Stop work orders
  - Determination & remediation orders
  - Penalties
- Remedies of the Court
  - Offences
  - Order of compliance

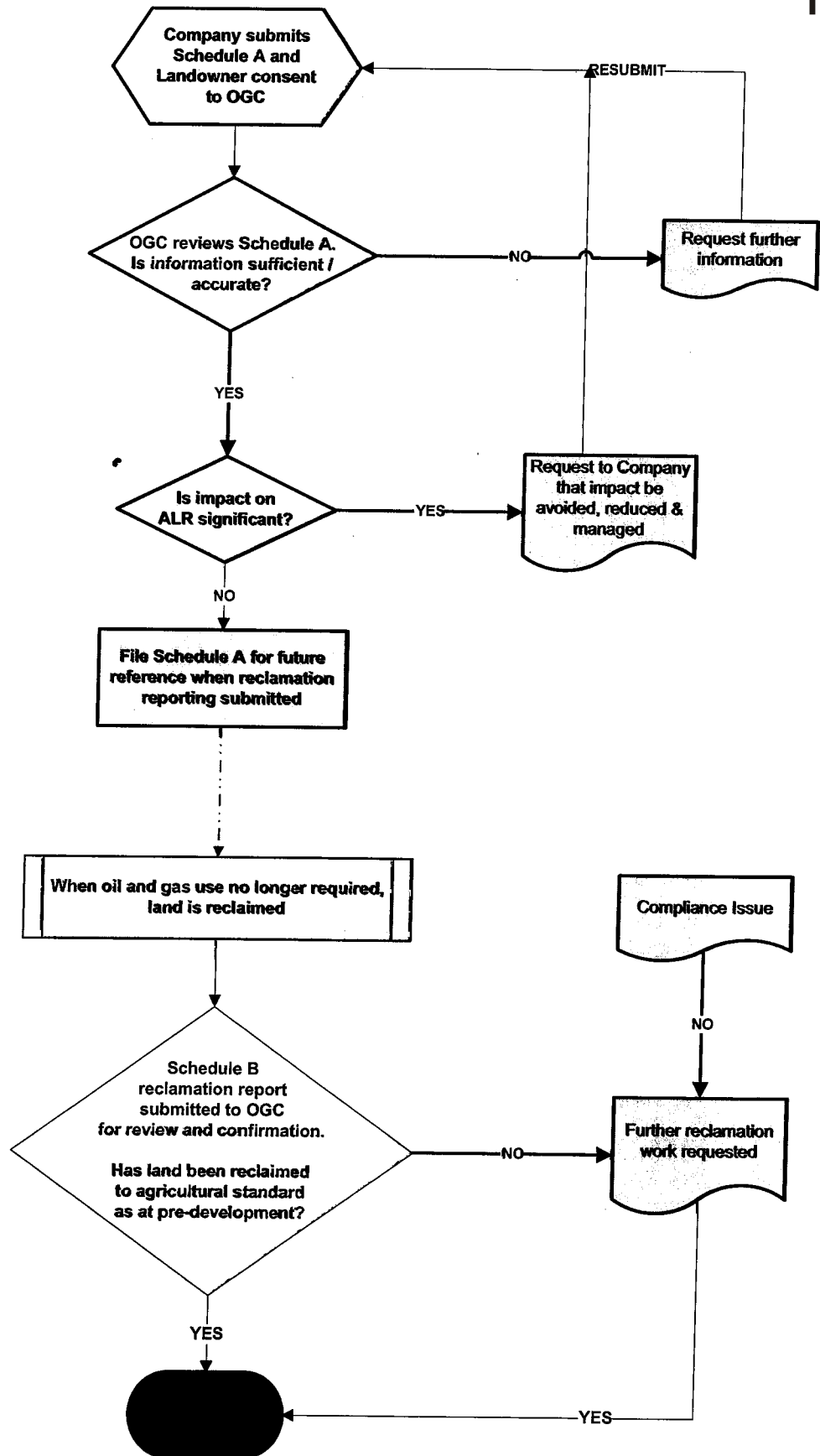
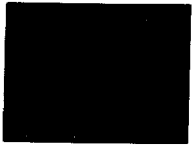
## Items for Discussion

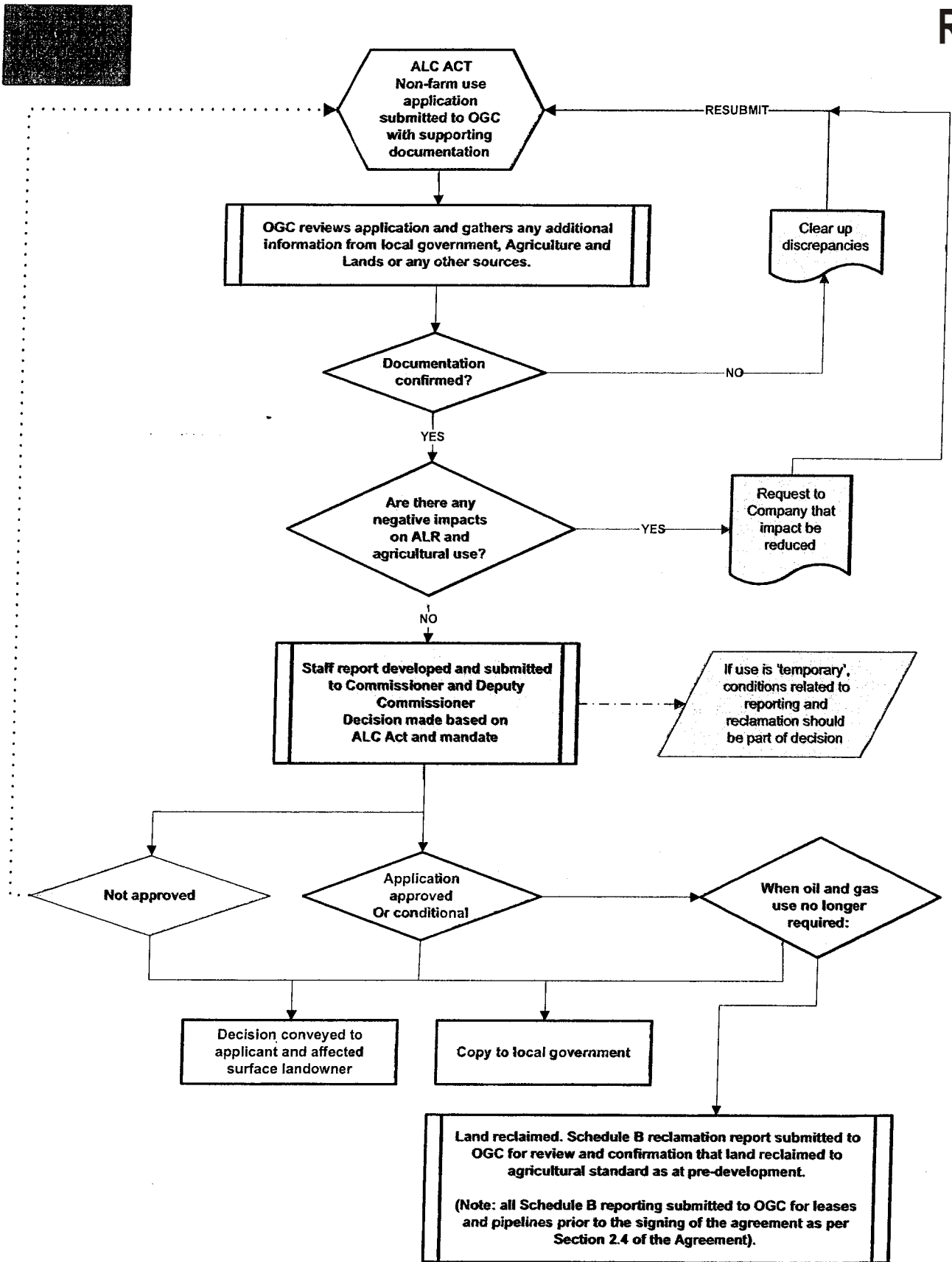
- Cumulative impact of oil & gas on ALR land
- Proliferation of oil & gas industrial uses on ALR land
- Size/area of use and local govt zoning
- Impacts on agricultural business
- Benefits or offsets to agriculture from oil & gas uses

## More Information

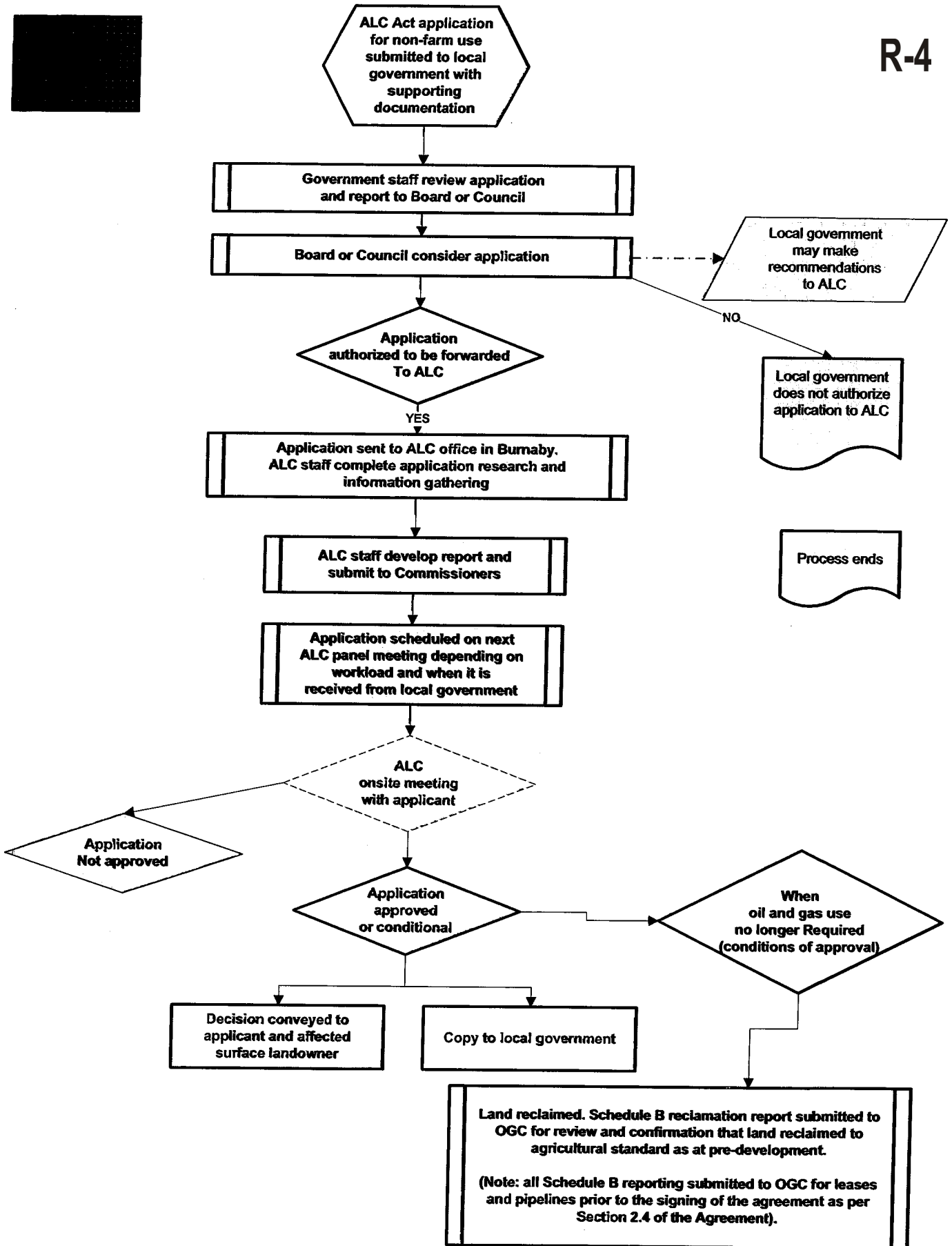
ALC Website

[http://www.alc.gov.bc.ca/Commission/oil-gas\\_ALR.htm](http://www.alc.gov.bc.ca/Commission/oil-gas_ALR.htm)





Nov 26 2009



**APPENDIX I**  
**Responsible Agency for Applications under**  
**the Agricultural Land Commission Act**

	<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>	<i>Column 4</i>	<i>Column 5</i>
	<b>Non-farm Use</b>	<b>ALC Act Application to OGC</b>	<b>ALC Act Application to ALC via local govt</b>	<b>Exempt from ALC Act Application<sup>1</sup></b>	<b>Application to OGC under other Acts</b>
<b>1</b>	Pipelines and surface facilities directly related to operation of the pipelines			<b>X</b>	<b>X</b>
<b>2</b>	Wells on existing sites			<b>X</b>	<b>X</b>
<b>3a</b>	Up to 3 stand-alone well sites per quarter section or equivalent area, including access roads & facilities directly related to operation of the well			<b>X</b>	<b>X</b>
<b>3b</b>	4 <sup>th</sup> stand-alone well site per quarter section or equivalent area, including access roads and facilities directly related to operation of the well	<b>X</b>			<b>X</b>
<b>3c</b>	5 <sup>th</sup> or greater stand-alone well sites per quarter section or equivalent area, including access roads & facilities directly related to operation of the well		<b>X</b>		<b>X</b>
<b>4a</b>	Change in use from a well to an activity described in item 5 (<450 sq. m.)	<b>X</b>			<b>X</b>
<b>4b</b>	Change in use from a well to an activity described in item 5 (>450 sq. m.), 8 or 9		<b>X</b>		<b>X</b>
<b>5</b>	Batteries, compressor stations, drilling and production waste handling, produced water and gas handling or processing facilities, and the combined area of associated buildings and structures on the quarter section or equivalent area is less than or greater than 450 sq m	<b>X</b> <b>Bldg area less than 450 sq. m.</b>	<b>X</b> <b>Bldg area greater than 450 sq. m.</b>		<b>X</b>
<b>6a</b>	Electric power lines immediately adjacent to access roads <sup>2</sup>			<b>X</b>	<b>X</b>
<b>6b</b>	Electric power lines not adjacent to access roads <sup>2</sup>	<b>X</b>			<b>X</b>
<b>7</b>	Commercial waste handling and disposal, including deep well disposal projects		<b>X</b>		<b>X</b>
<b>8</b>	Other facilities not exclusively related to oil & gas production, including material & equipment storage		<b>X</b>		<b>X</b>
<b>9</b>	Proposed oil & gas activity on a quarter section or 65 hectare parcel in which the combined total area occupied by existing and proposed activities is <b>greater than</b> 7 hectares (or 17 acres)		<b>X</b>		

<sup>1</sup> Exempted uses are subject to specified conditions of reporting and reclamation set out in this agreement.

<sup>2</sup> Electric power lines do not require Schedule A and B reporting



OIL AND GAS COMMISSION

July 28, 2004

To: Oil and Gas Stakeholders:

**Re: Agricultural Land Commission & Oil and Gas Commission Delegation Agreement Calculation of 7 Hectare Non-Farm Use/Quarter Section on ALR Lands**

The delegation agreement between the Agricultural Land Commission (ALC) and the Oil and Gas Commission (OGC) has been in effect since April 1, 2004. It has come to the attention of the Commissions that Article 9.3 of the delegation agreement is unclear. The Commissions would like to clarify that only existing wellsites, other surface leases and access roads that have not been given a Certificate of Restoration plus the proposed new use (not including pipelines) should be calculated when determining the 7 hectare per quarter section threshold triggering a non-farm use application to the ALC.

Due to the nature of pipelines and their installation techniques, the ALC assumes that most pipelines have been properly installed and reclaimed to an agricultural standard. If reclamation reporting (Schedule B) has not been completed for pipelines, the ALC encourages companies to do so. The OGC is committed to ensure that this occurs through normal compliance and enforcement inspections.

Please also note that geophysical exploration and powerlines **do not** require submission of Schedule A and B reporting.

We hope this letter will clarify this process. However, if you are still unclear or have further questions, please don't hesitate to call staff at either the ALC or OGC or visit our websites at [www.alc.gov.bc.ca](http://www.alc.gov.bc.ca) or [www.ogc.gov.bc.ca](http://www.ogc.gov.bc.ca).

Yours truly,

PROVINCIAL AGRICULTURAL LAND COMMISSION

A handwritten signature in black ink, appearing to read 'K. Miller'.

K.B. Miller, Chair and Chief Executive Officer

Nov 26 2009