



March 22, 2005

INFORMATION LETTER #OGC 05-08

SUBJECT: INSPECTION AND COMPLIANCE MANUAL VERSION 1.0

To Industry Clients:

The Oil and Gas Commission (OGC), the regulating body for the oil and gas industry in British Columbia, is committed to establishing and maintaining a compliance management system compatible with the performance-based model that is transparent and appropriate to the local situation.

The Inspection and Compliance Operations Manual (ICM) has been created to assist both the OGC and industry operators to maintain a high standard of compliance. It will also provide a level playing field for all operators, maintain consistency in day-to-day business, and will advance public safety. The ICM covers all phases of the life cycle of wells, pipelines and facilities regulated by the OGC. To view the ICM please visit:

http://www.ogc.gov.bc.ca/documents/forms/compliance/IC_Manual_Version_1.doc

The ICM sets out the role of the OGC inspectors as well as the regulatory objectives of the OGC. It provides a synopsis of the legislation, regulations and standards that govern oil and gas production facilities in British Columbia. However, it is not an exhaustive reproduction of legislation, regulations and standards. Further details are covered in the relevant legislation or regulations.

- The ICM is intended to ensure that oil and gas operations and activities are inspected by the OGC in a consistent and transparent manner throughout the oil and gas producing areas of British Columbia by: Establishing clear criteria and expectations for thorough and consistent inspections by the OGC; and
- Providing a basis to harmonize the BC requirements with those applied in Alberta, where appropriate.

The compliance management system outlined in the ICM encourages ongoing, diligence in self-inspection and mitigation by industry. Compliance activities by companies are reinforced by a consistent, effective and performance-based approach to compliance inspections on the part of the OGC. This manual encourages industry to be proactive by ***familiarizing themselves with the regulatory inspection system and initiating in-house self-inspection systems.***

The ICM will be refined periodically with changes communicated and implemented thereafter.

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Please document and forward any initial comments/recommendations regarding this document to Alain.Robidoux@gov.bc.ca prior to May 31, 2005 (see Section 4.0 Revision Request Form).

We will continue to work with industry, First Nations and stakeholders to improve this explicit process.

For further information please contact:

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Original signed by,

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