

NEWS RELEASE

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Improved oversight needed to manage contamination risks at B.C. oil and gas sites

VICTORIA - An audit of the BC Oil and Gas Commission has found that it must improve its oversight of oil and gas sites in order to adequately manage the risks of contamination, says Auditor General John Doyle in his latest report, released today.

“The oil and gas industry in B.C. has seen significant growth over the last decade, which has the benefit of increased revenues for the province, but also carries greater risks of contamination,” said Doyle. “British Columbians value the contributions the oil and gas industry makes to the province, but they also want government to ensure that industry meets its obligations to protect the environment and restore sites.”

The report, titled *Oil and Gas Site Contamination Risks: Improved oversight needed*, specifically addresses the Oil and Gas Commission’s oversight of upstream contamination risks, which include such processes as exploration, well completion, and production. In addition to the environmental and human health risks of contamination, there is the additional risk that some well operators may not meet their legal responsibilities to restore sites, due to their financial situation.

The report provides further detail on the key areas requiring improvement, such as:

- information on environmental and financial risks, and the associated oversight procedures; and
- accountability reporting to legislators and the public.

“I had expected more progress because this is not our first audit dealing with contaminated sites in British Columbia,” said Doyle, referring to the 2002/03 report on provincial contaminated sites. “However, I am encouraged by the initiatives that were underway at the completion of the audit. If fully implemented, they would help to better protect the province from the risks of oil and gas site contamination.”

The report is available at www.bcauditor.com.

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2009/10 Report #8– Oil and Gas Contamination Risks: Improved Oversight Needed

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