

UNLOCKING BC'S NATURAL GAS POTENTIAL (2025)

Issue

British Columbia's natural gas sector is a key driver of the province's economy, creating tens of thousands of high-quality, well-paying jobs, and supporting communities across the province. To become a globally competitive energy hub, the province must establish a stable and predictable regulatory framework, advance responsible resource development, and avoid policies that restrict economic growth. A clear commitment to maximizing the integrated natural gas value-chain and expanding export opportunities is essential to achieving BC's energy potential.

Background

BC has a long-standing reputation for responsible energy development, with some of the world's highest environmental and regulatory standards. The natural gas sector is one of BC's largest private-sector contributors, directly employing 74,000 British Columbians and generating \$15.1 billion for BC's GDP. From 2018 to 2021, the upstream industry spent over \$4.7 billion in 140 municipalities and Indigenous Nations, supporting more than 2,400 BC-based businesses through procurement of goods and services.

Liquefied natural gas (LNG) development presents a generational opportunity for BC's economy, attracting billions in private investment and strengthening energy trade with global partners. In his mandate letter to Honourable Adrian Dix, Minister of Energy and Climate Solutions, Premier Eby noted the need for "expanding global markets for our products to diversify and reduce trade risk".¹ LNG is in demand worldwide and can strengthen our trade portfolio. However, securing final investment decisions (FID) for LNG terminals requires clear emissions policies, efficient permitting, electrification support, and the upstream infrastructure and wells needed to supply these projects.

Over the past decade, Canadian natural gas producers have reduced carbon dioxide equivalent emissions by 22% and methane emissions by 38%, while growing production by 35%. In British Columbia, methane emissions from the oil and gas sector declined by 47% between 2014 and 2021, exceeding the province's reduction target. However, new and uncertain regulations, including a sectoral emissions cap, risk deterring investment and economic growth without delivering meaningful environmental benefits.

Permitting delays and regulatory hurdles continue to stall resource development, leading to lost job opportunities. A clear, efficient, and competitive approach to permitting and land-use planning, along with an integrated natural gas value-chain and export strategy, is critical to positioning BC as a global energy leader.

¹ https://www2.gov.bc.ca/assets/gov/government/ministries-organizations/premier-cabinet-mlas/minister-letter/mandate_letter_adrian_dix.pdf

THE CHAMBER RECOMMENDS

That the Provincial and Federal Governments:

1. Create a cohesive natural gas and LNG strategy that strengthens the entire natural gas value chain, from production through to export, by aligning infrastructure development, investment incentives, and regulatory policies.
2. Fast-track LNG and upstream projects by ensuring regulatory and policy certainty, including clear emissions rules, efficient permitting, and streamlined processes for electrification and grid access.
3. Avoid sectoral emissions caps that undermine investment. Instead, the Output-Based Pricing System (OBPS) should be refined to maintain competitiveness and prevent carbon leakage while working collaboratively with the industry on benchmarks and allocations.
4. Improve permitting timelines and reduce redundancy in coordination with the BC Energy Regulator. Establish long-term land-use policy certainty to ensure reliable resource access and alignment with cumulative effects management.