

What We Heard: B.C. Oil and Gas Royalty Review

Prepared for the B.C. Ministry of Energy, Mines
and Low Carbon Innovation

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EXECUTIVE SUMMARY

The B.C. Ministry of Energy, Mines and Low Carbon Innovation is undertaking a review of its oil and gas royalty system to ensure it will achieve government's objectives of economic development, fair return on resources, and environmental protection. As part of this review, it conducted a public engagement, inviting comment from the general public as well as impacted groups and partner organizations. This report summarizes the findings of the public engagement.

In total, 938 survey completions were received during this engagement, as well as 4,632 emails (123 of which were unique letters, the remainder originated from letter-writing campaigns) and 98 unique formal submissions from impacted groups and the general public. Responses to closed-ended questions in the survey were summarized quantitatively, while open-ended content (from comment fields, emails, and formal submissions) were qualitatively coded and analyzed. All forms and methods of feedback are reported on here.

Overall, the general public and various non-profit organizations (academics, NGOs, Indigenous organizations) are in favour of using an update to the royalty regime as a tool for the provincial government to pursue its net-zero emissions goals and the strategic priorities laid out in the *Roadmap to 2030* plan. To this end, the majority of the public support:

- A flat royalty rate with no capital recovery mechanism;
- High royalty rates that reflect the social, environmental, and health impacts of oil and gas extraction, as well as carbon emissions from the burning of these resources;
- High additional fees for the use of water in operations that leave the water contaminated, such as fracking;
- Fines and other fees applied to methane leaks and lost volumes of natural gas;
- A rapid transition to a new royalty framework, with little or no grandfathering for existing wells and operations; and
- An effort by the province to retain as much of the value of already-earned royalty credits as possible.

Some comments also indicated that the scope of the Independent Assessment was too limited, and suggested the following changes to the goals and priorities of an oil and gas royalty framework:

- A royalty regime *is* an appropriate tool to address environmental protection and climate change concerns, and therefore the success or appropriateness of a framework should not be judged by whether it stimulates investment; and
- The royalty framework should move beyond “meaningful consultation” with Indigenous communities and fully incorporate UNDRIP principles as guiding principles in any new framework that is developed. To this end, Indigenous communities should be co-creators of the new framework.

Industry representatives also contributed to the consultation. These submissions emphasized that economic development and remaining competitive with other jurisdictions should be a top priority for a new royalty framework; as such, these submissions urged government to adopt a revenue-minus-cost model in any new royalty framework, as well as largely retain systems of royalty credits and continue to honour already-earned credits.

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1 BACKGROUND & RATIONALE

1.1 Background

The Ministry of Energy, Mines and Low Carbon Innovation (EMLI), on behalf of the Government of British Columbia, is undertaking a review of its oil and gas royalty system to ensure it will achieve government's objectives of economic development, fair return on resources, and environmental protection.

1.2 Purpose of Public Consultation

The current oil and natural gas royalty framework in British Columbia has been in place for almost 30 years. Feedback from the public, First Nations and key stakeholder groups will be considered during the review in the development of a new royalty framework – the *Royalty Review Project*. EMLI will announce an updated policy in Spring 2022.

The Royalty Review Project utilized the govTogetherBC platform to collect feedback from the general public, special interest groups and royalty payors (producers). Royalty payors as a stakeholder group have had additional engagements due to the technical nature of the information needed. Government has also been undertaking consultation directly with affected First Nations outside of the public consultation process.

2 METHODOLOGY

2.1 Engagement Approach

This public consultation was designed and hosted by EMLI, which is responsible for the Royalty Review Project, in collaboration with the Government Digital Experience Division (GDX) of the B.C. Ministry of Citizens' Services. Analysis of engagement data and reporting was conducted by R.A. Malatest & Associates Ltd. (Malatest).

The public engagement consisted of two elements: an online survey form hosted on the govTogetherBC website, and an open call for written submissions on the Oil and Gas Royalty Review via email.

2.1.1 Online Survey

The online survey was the main approach used to collect feedback from a broad sample of British Columbians. The survey was developed by EMLI and hosted by the B.C. Government on its public engagement platform at <https://engage.gov.bc.ca/royaltyreview>. Stakeholders, interest groups and general public were invited to complete the survey between November 10 and December 10, 2021.

The survey, on average, took 38 minutes to complete and asked two questions about the respondent's understanding of and involvement in the oil and natural gas industry in B.C., and six questions specific to the Independent Assessment (IA) and Discussion Paper (e.g., level of agreement with the conclusions of the IA, opinions on overarching goals for the *Royalty Review Project*, alternative royalty structures, and transitioning to a new royalty framework).

The survey also asked two demographic questions of respondents:

- Area of residence; and
- Self identification with interest groups.

A copy of the survey instrument is included in [Appendix A](#).

2.1.2 Written Submissions

Formal written submissions were accepted as part of this consultation. Email and formal submissions were received from a variety of interest groups as well as members of the general public. These documents were submitted as an email, or by attaching additional information in either Word or PDF format. Submissions were reviewed and analyzed for themes, and the qualitative feedback was incorporated into this report.

2.2 Analysis of Feedback

Closed-ended survey items were analyzed quantitatively, using statistical methods appropriate to the question types (e.g., frequencies, medians). Open-ended responses in the survey (i.e., comment fields) were qualitatively coded with up to three codes each, based on coding frameworks for each question developed by Malatest researchers. A copy of these coding frameworks is available in [Appendix B](#).

Coded content was then summarized quantitatively (i.e., frequencies). Within the body of the report, reporting focuses on highlights and trends as well as significant differences among sub-groups. For full survey result breakdowns, please refer to [Appendix C](#).

Written submissions were qualitatively coded using an inductive, iterative approach supported by the software package NVivo. An initial coding framework was developed based on the first eight documents received in the consultation process. This coding framework was then reviewed and refined as new submissions arrived; every time a code was added or revised in the coding framework, previously coded content was reviewed to identify whether changes to coding were required in those documents. This iterative revision was undertaken on twenty-two documents, at which point saturation was reached and the remaining content was coded according to the existing framework.

2.3 Limitations and Caveats

There are some limitations to the research that should be kept in mind while reading this report.

The format of the engagement (an online survey) requires respondents to be Internet users. While B.C. has high rates of access to the Internet among its population, as of 2016 approximately 8% of British Columbians were not Internet users, most likely residing in the remote and northern regions of the province.¹

The voluntary nature of the survey, which required participants to be aware of the engagement and navigate to the website – rather than more respondent-passive approaches such as being reached by phone or email and asked to participate – may result in a self-selection bias where those who hold particularly strong views about the topic (whether for or against) were more likely to respond to the survey than those with neutral or no opinion. Due to the anonymous nature of the feedback, and the inability to conduct follow-up with those who chose not to participate, it is not possible to assess to what extent this may have impacted the survey results.

¹ Based on findings of the 2016 General Social Survey (Canadians at Work and Home) conducted by Statistics Canada.
<https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2017032-eng.htm>

3 FINDINGS – SUMMARY OF PARTICIPANTS

3.1 Overall Response

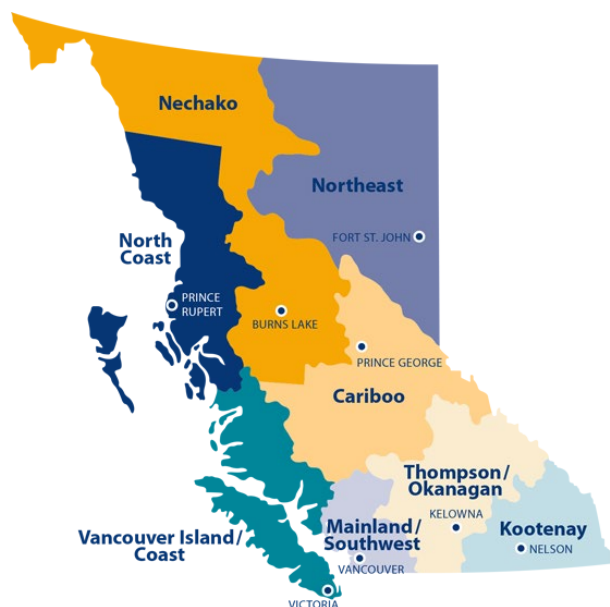
A total of 938 survey completions were received between November 10 and December 10, 2021.

3.2 Survey Respondent Profile

3.2.1 Regional Profile

Respondents were asked to identify in which region of B.C. they lived and/or worked (or, if they lived and/or worked outside of the province). [Figure 3.1](#) below illustrates the regions within B.C. respondents were asked to choose from.

Figure 3.1: Map of British Columbia Regions



Source: Trade and Invest British Columbia.

<https://www.britishcolumbia.ca/about-british-columbia-canada/regions/>

The majority (96%) of survey respondents reported residing and/or working in B.C. Most respondents (73%) reported living and/or working in the Mainland/Southwest and Vancouver Island/Coast regions, while the North Coast & Nechako region had the lowest representation among respondents. Overall, regional representation reflected the population of the province in the North Coast & Nechako² and Cariboo regions, with Kootenay, Northeast, and Vancouver Island/Coast regions overrepresented and the Mainland/Southwest, and Thompson-Okanagan regions underrepresented. See [Table 3.1](#) for more details.

² Note that while Nechako and the North Coast are considered distinct economic development regions, as shown in the map in Figure 3.1, the survey questionnaire grouped these regions together due to small populations in each.

Table 3.1: Survey Respondents, by Region

Region	Respondent <i>n</i>	Respondent Proportion	Population Proportion*
Mainland/Southwest	337	36%	61%
Vancouver Island/Coast	344	37%	17%
Thompson-Okanagan	67	7%	12%
Kootenay	58	6%	3%
North Coast & Nechako	22	2%	2%
Northeast	46	5%	1%
Cariboo	26	3%	3%
Outside of B.C.	37	4%	-
Prefer not to answer	1	0%	-
Total	938	100%	-

Survey question 2: “In which region do you live or work?” Values at 0% indicate less than 1% of respondents selected this option. Respondent proportions may not add to 100% due to rounding.

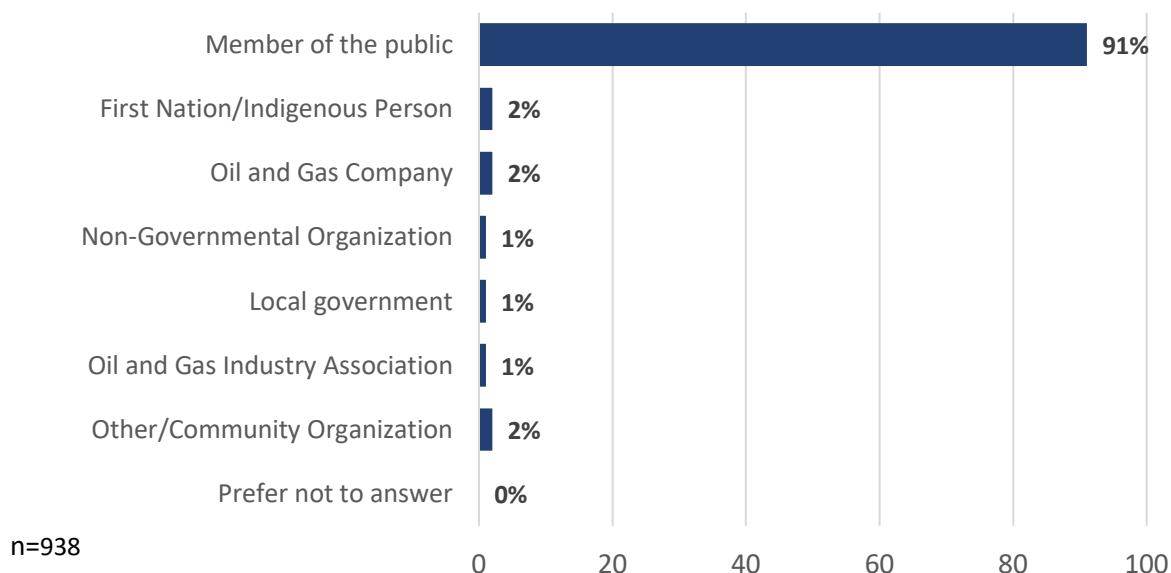
*Population proportions based on economic regions data from 2016 Census, found here:

<https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=PR&Code1=59&Geo2=PR&Code2=01&SearchText=Canada&SearchType=Begin&SearchPR=01&B1=All&type=0>

3.2.2 Completions by Interest Group

Survey respondents were also asked to indicate what interest group they represented in completing this survey. Members of the public represented the largest proportion of survey respondents (91%). Responses from First Nations/Indigenous persons or specified interest groups comprised fewer than 9% of total survey responses. Refer to [Figure 3.2](#) for more details.

Figure 3.2: Survey Respondents, by Interest Group



Survey question 1: “What best describes how you are responding to this feedback form? I am responding on behalf of a/an:” Values at 0% indicate less than 1% of respondents selected this option. Respondent proportions may not add to 100% due to rounding.

The majority of respondents, with the exception of those associated with an oil and gas company or industry, reside or work in the Mainland/Southwest and Vancouver Island/Coast regions. Respondents associated with an oil and gas company mainly reside or work in the Northeast region or outside of B.C., while the majority of those associated with an oil and gas association indicated that they live/work in the Northeast region of the province (Note: base sizes for all groups except members of the public were too small to report proportions (See [Table C 1](#) in [Appendix C](#)).

3.2.3 Familiarity with Oil and Gas Industry in B.C.

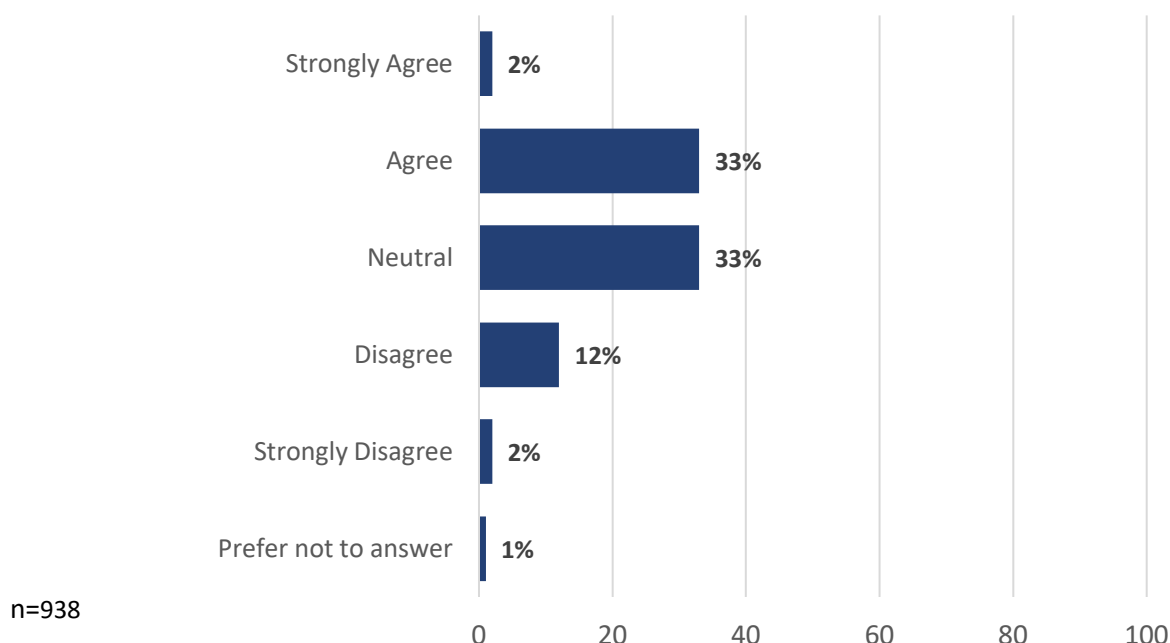
Respondents were asked to self-report their level of familiarity with the oil and gas sector in B.C. via two questions within the survey. Respondents were asked to rate, on a five-point scale, their agreement with the following items:

- I have a strong understanding of the oil and natural gas industry in B.C.
- I have a direct involvement in the oil and natural gas industry in B.C.

While 82% of respondents disagreed or strongly disagreed they had a direct involvement in B.C.’s oil and gas industry, approximately one-third (35%) of respondents agreed or strongly agreed they had a strong understanding of the oil and natural gas industry in B.C.

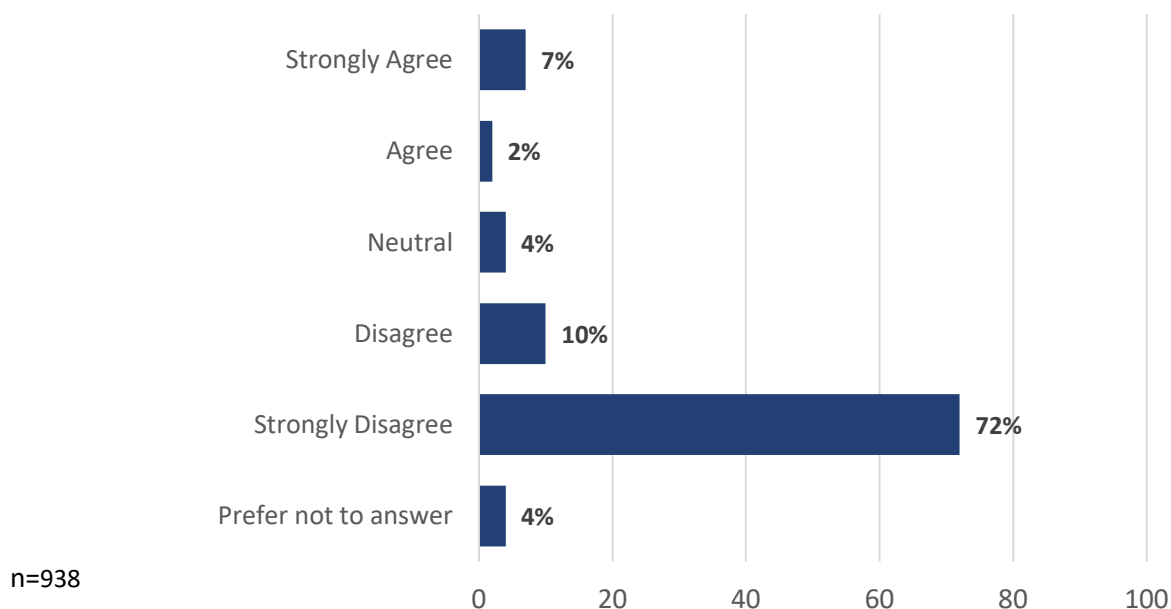
[Figures 3.3](#) and [3.4](#) illustrate the reported knowledge and involvement of respondents in the B.C. oil and gas sector.

Figure 3.3: Understanding of Oil and Gas Industry among Respondents



Survey question 3a: “What is your level of agreement with the following statements? I have a strong understanding of the Oil and Natural Gas Industry in B.C.” Respondent proportions may not add to 100% due to rounding.

Figure 3.4: Involvement in Oil and Gas Industry among Respondents



Survey question 3b: “What is your level of agreement with the following statements? I have a direct involvement in the Oil and Natural Gas Industry in B.C.” Respondent proportions may not add to 100% due to rounding.

3.3 Written Submissions

In total, this public engagement received 136 written submissions in the form of email attachments. Of these, 85 came from members of the general public, while 51 came from other interest groups such as First Nations, local governments, oil and gas industry representatives, and others. [Table 3.2](#) below summarizes the number of written submissions received, by interest group.

Table 3.2: Written Submissions Received, by Interest Group

Interest Group	Submissions Received
Academics and Post-Secondary Institutions	2
Indigenous Organizations	1
Industry and Trade Associations	6
Local Governments	1
NGOs	24
Producers and Supporting Industries	17
Public	85

It should be noted that, among written submissions from members of the general public, a large proportion were form letters circulated among individuals and interest groups for submission by individuals, as part of letter-writing campaigns. Our analysis identified three unique form letters, submitted by a total of 41 individuals over the course of the engagement. While the unique letters were reviewed and coded once each, discussion of these letters is separate from the remainder of the submissions, which were judged to be unique documents.

In addition, email submissions were accepted as part of this public engagement. These submissions were coded and analyzed separately from more formal written submissions, which followed a formal letter structure and were typically much longer than the email submissions.

A total of 4,632 email submissions were received during the engagement period. Of these, 123 emails were unique submissions (i.e., original compositions by the sender) while the remainder represented various letter-writing campaigns. Our analysis identified ten letter-writing campaigns; of these, nine campaigns were generally opposed to the oil and gas industry, while one was generally in favour of the industry in the province. For each letter-writing campaign, we reviewed and coded one copy of the form letter for inclusion in analysis; for all unique letters, we received and coded each individually for analysis.

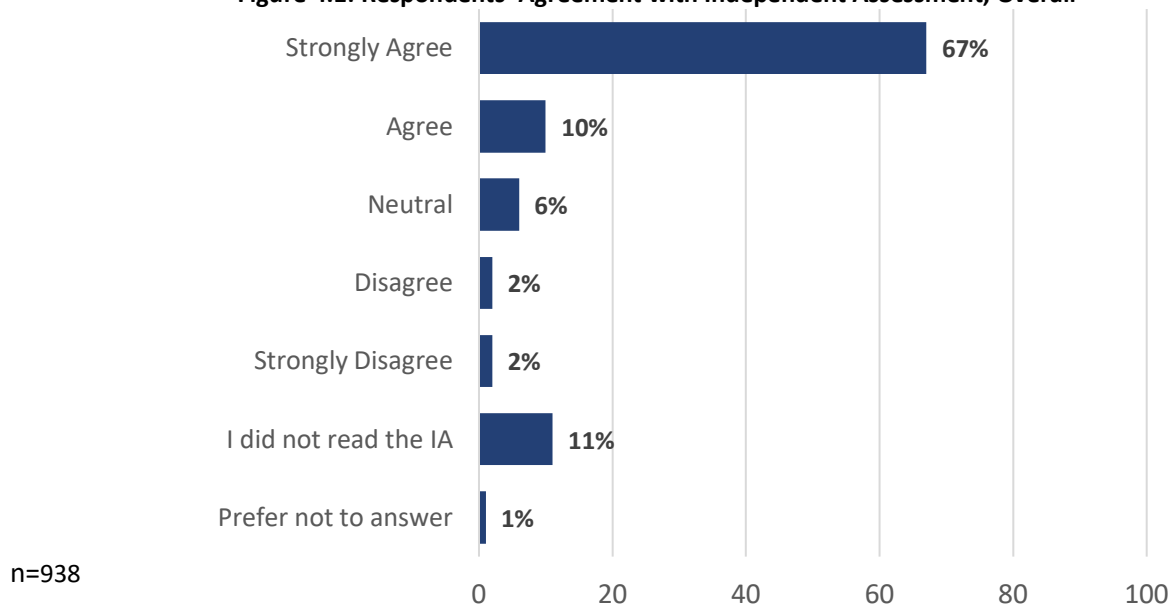
4 FINDINGS – WHAT WE HEARD

4.1 Feedback on Independent Assessment of Royalty Framework

4.1.1 Overall Response

Respondents were asked their level of agreement with the conclusions of the government-commissioned Independent Assessment (IA) which concluded that the natural gas royalty framework is outdated and needs comprehensive reform. Overall, the majority of survey respondents were in agreement (77% agreed or strongly agreed) with the conclusions of the IA ([Figure 4.1](#)).

Figure 4.1: Respondents' Agreement with Independent Assessment, Overall



Survey question 4: "The government-commissioned Independent Assessment (IA) concluded that the natural gas royalty framework is outdated and needs comprehensive reform. What is your level of agreement with the conclusion of the Independent Assessment?" Respondent proportions may not add to 100% due to rounding.

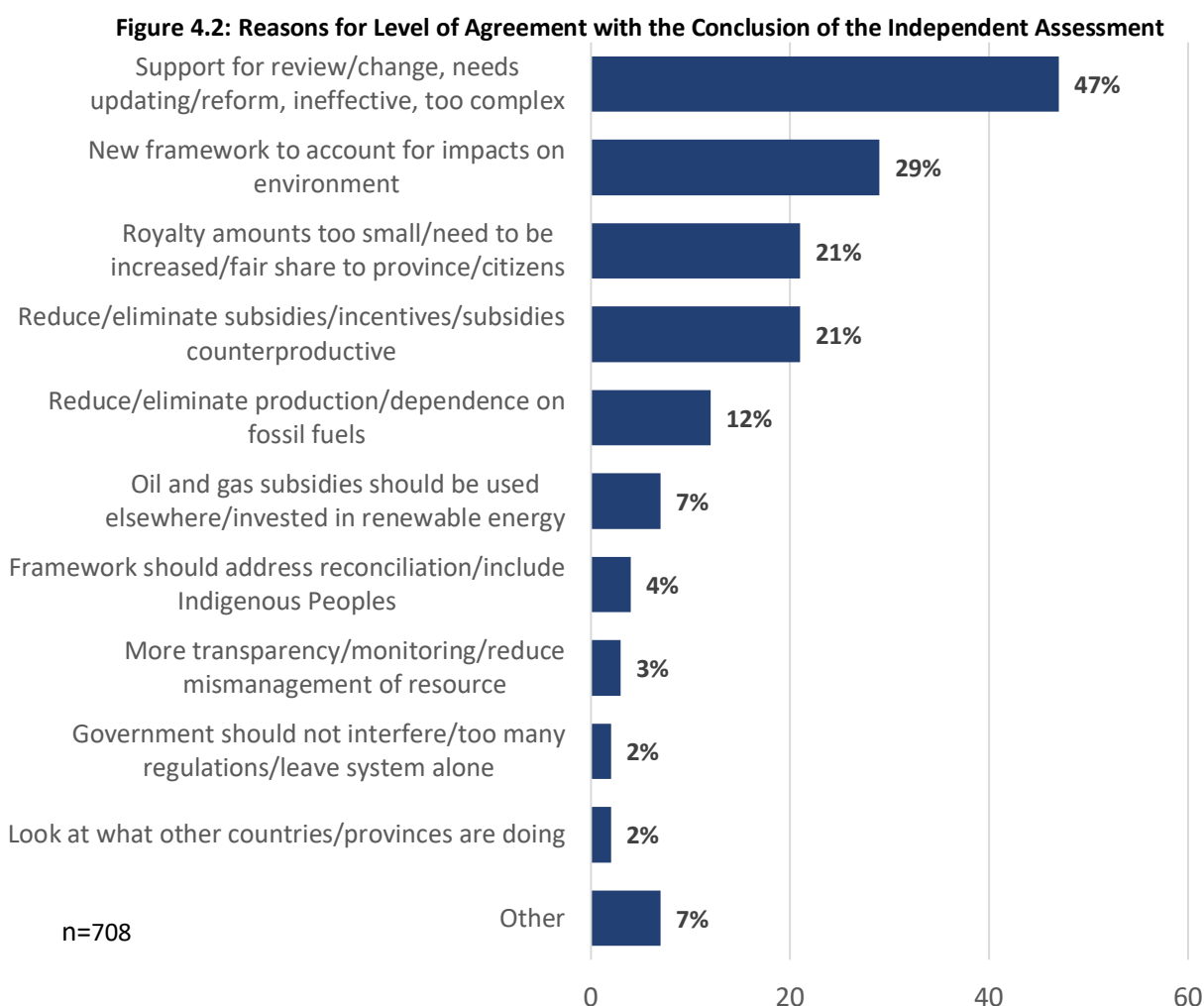
Across areas of residence/work, the majority of respondents strongly agreed with the conclusions of the IA with the exception of those living/working in the Northeast and outside of B.C. (37% and 41%, respectively vs. range of 76% to 54% among those living in other regions of the province) (See [Table C 6](#) in [Appendix C](#)).

Among interest groups, the majority (68%) of those indicating they were a member of the public strongly agreed with the conclusions of the IA. Other groups more likely to say they strongly agreed were those who identified as First Nation/Indigenous, were associated with a non-governmental organization, local government, and community organization or other. Those associated with an oil and gas company or industry association were less likely to say they strongly agreed with the conclusions of the IA (Note: base sizes for all groups except members of the public were too small to report proportions. See [Table C 7](#) in [Appendix C](#)).

4.1.2 Concerns and Suggestions Related to Independent Assessment

Respondents were asked why they chose their level of agreement with the conclusion of the IA. Approximately 75% of respondents provided a reason, with the most frequently mentioned reasons related

to overall support for the IA and agreeing that the royalty framework was out of date, ineffective, too complex and in need of reform. Other reasons included: the need for a revised framework to account for impacts on the environment because of resource extraction including remediation of wells no longer in use; inclusion of higher charges the use of water in the extraction process; perspectives that royalty amounts need to increase in order to provide a fair share to the province and its citizens; and call to eliminate subsidies and incentives to the oil and gas industry ([Figure 4.2](#)).



Survey question 4b: "Please tell us why you chose your level of agreement with the conclusion of the Independent Assessment." Multiple responses permitted. Excludes those who preferred not to answer.

Among areas of residence/work, most frequently mentioned reasons for agreeing with the conclusion of the IA aligned closely with overall responses except for those living/working in Kootenay and Cariboo. Respondents from Kootenay were more likely to indicate that the new framework should account for impacts on environment rather than saying that the royalty framework was out of date, ineffective, too complex and in need of reform. Those in the Cariboo region were just as likely to feel that royalty amounts needed to increase as they were to say that the royalty framework was out of date, ineffective, too complex and in need of reform (See [Table C 8](#) in [Appendix C](#)).

Among interest groups, the most frequently mentioned reasons for choosing the level of agreement with the conclusion of the IA aligned closely with overall responses except for those associated with community organizations or other who were more likely to feel that a new framework should account for impacts on environment as their most mentioned reason (Note: base sizes for all groups except members of the public were too small to report proportions (See [Table C 9](#) in [Appendix C](#)).

Email submissions from the general public, in the form of letter-writing campaigns, were overall in favour of the Independent Assessment's findings and a major change to the Oil and Gas Royalty Framework in B.C. Of the ten letter-writing campaigns identified, nine of them (representing 3,324 emails, or 74% of all form letter submissions) were overall in agreement with the Independent Assessment that the Royalty system needs major overhaul. One form letter (1,185 emails, 26% of form letter submissions) was generally supportive of the oil and gas sector and recommended a royalty framework system that would cause minimal disruption to the sector (Option 3, a revenue-minus-cost model). A similar pattern was seen among unique written submissions, with the majority of respondents who commented on this topic favouring a flat rate with no capital recovery mechanism (n=44, 36% of unique email submissions); further, an additional 20 respondents (16% of unique email submissions) recommended that royalty rates be set high enough to reflect the social, environmental, and health impacts of oil and gas extraction and use, though they did not explicitly comment on a preferred model as set out in the Discussion Paper. Only four respondents (3% of unique emails) supported a cost-minus-revenue model, and no email submissions supported a flat rate with capital recovery mechanism.

Among unique formal written submissions, the vast majority (n=68, 50%) were in favour of a flat rate with no capital recovery mechanism, while 25 (18%) preferred a revenue-minus-cost model. No submissions expressed a preference for a flat rate with capital recovery. This difference was largely driven by impacted group type: academics, Indigenous partners, NGOs, and the vast majority of private citizens favoured a flat rate with no capital recovery, while producers and industry members, and industry advocacy groups, favoured a revenue-minus-costs model.

While a large number of formal written submissions agreed with the conclusion of the Independent Assessment that B.C.'s royalty regime for oil and gas is in need of updating (n=62, 46%), there were some that commented negatively on the scope and/or conclusions of the report. Nine submissions argued that the scope of the review was too narrow; these submissions typically disagreed with the premise that royalty regimes are not the place to address environmental protection concerns, and/or believed that the assessment had presupposed the ongoing goal of developing and exploiting oil and gas reserves in the province. Two submissions disagreed with the conclusions of the Independent Assessment, indicating that they did not believe there was a strong need to revise B.C.'s oil and gas royalty regime.

4.2 Feedback on Goals of Royalty Review

4.2.1 Overall Feedback

The majority (77%) of survey respondents ranked environmental protection as the most important goal of the royalty review, followed by "a fair return on our resource" (selected by 51% of respondents as their second choice) and "economic sustainability" (selected by 42% of respondents as their third choice) ([Table 4.1](#)).

Table 4.1: Overall Ranking of Importance of Overarching Goals of Royalty Review

Overarching Goals (n=939)	Ranked First	Ranked Second	Ranked Third
Environmental protection	77%	6%	13%
A fair return on our resource	8%	51%	26%
Economic sustainability	12%	30%	42%
Prefer not to answer	3%	13%	19%

Survey question 5: “The Discussion Paper describes balancing government’s three overarching goals for the Royalty Review: economic development; a fair return on the public resource; and environmental protection. How would you rank these three goals in terms of importance?”
Respondent proportions may not add to 100% due to rounding.

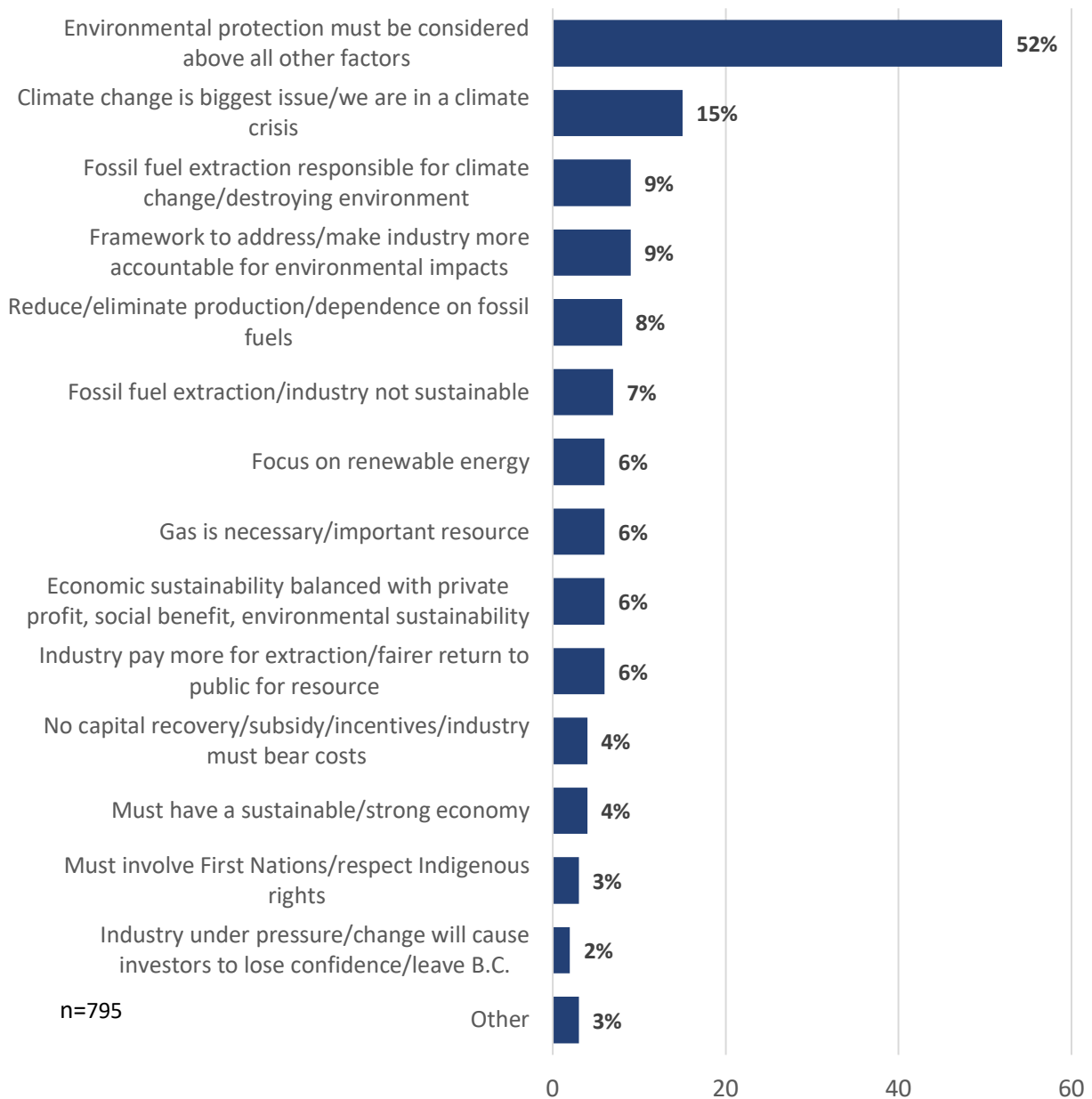
Environmental protection was considered the most important overarching goal of the royalty review by those living/working in all areas of the province except for those in the Northeast and outside of the province who were more likely to select economic sustainability as the most important goal (See [Table C 10](#) in [Appendix C](#)).

Not surprisingly, those associated with an oil or gas company or association were more likely to select economic sustainability as the most important overarching goal of the royalty review. Whereas, members of the public, those who identified as First Nation/Indigenous, and those associated with other interest groups were more likely to select environmental protection as the most important overarching goal (Note: base sizes for all groups except members of the public were too small to report proportions. See [Table C 11](#) in [Appendix C](#)).

4.2.2 Concerns and Suggestions Related to Goals of Royalty Review

Approximately 85% of survey respondents provided an answer when asked their reasons for the order of importance they choose for the overarching goals of the royalty review. The most frequently mentioned response was that environmental protection must be considered above all other factors (mentioned by 52% of those responding to the question) ([Figure 4.3](#)).

Figure 4.3: Reasons for Order of Importance of Royalty Review's Overarching Goals



Survey question 5b: "Please tell us the reason you chose this order of importance for the overarching goals." Multiple responses permitted. Excludes those who preferred not to answer.

Nearly all respondents to this survey, with the exception of those living in Northeast B.C., were most likely to say that environmental protection should be a top priority for the new royalty framework. In contrast, those living and/or working in the Northeast were more likely to report that supporting a sustainable and strong economy was a top priority (See [Table C 12](#) in [Appendix C](#)).

Those associated with an oil or gas company were also more likely to identify the need for a sustainable and strong economy as the reason for the order of importance of goals. (Note: base sizes for all groups except members of the public were too small to report proportions. See [Table C 13](#) in [Appendix C](#)).

Of the nine form letters (74% of form letters received) in the email submissions that were largely supportive of the Independent Assessment and a major overhaul of B.C.'s Oil and Gas Royalty Framework, all indicated that environmental protection should be a top priority for a new royalty framework in B.C. A common theme that emerged in all of these letters was the opportunity to use this framework to incentivize decarbonizing B.C.'s economy by making oil and gas extraction financially unsustainable for companies, through the use of a high flat rate with no capital recovery mechanism. Further, most of these letters (n=7, representing 2,217 emails) also noted that the current oil and gas royalty framework is not of great economic benefit to B.C., due to the extremely low royalty rates, the extensive use of capital recovery mechanisms and tax credits, the low number of jobs created per million dollars of GDP generated when compared to other industries, and the inevitable sunset of the industry as the world eventually transitions to cleaner forms of energy.

The one emailed form letter that was broadly in support of the oil and gas industry (26% of form letters received) did not explicitly name a top priority for a new royalty framework, but did elaborate extensively on the potential economic benefits of oil and gas extraction in the province. This letter emphasized a “balance” of the three priorities rather than explicitly prioritizing a single one.

Seventy-eight email submissions (63% of unique email submissions) called for environmental protection as a top priority for the framework, while thirteen (11%) emphasized a fair return on the resource, and just eight (7%) called for economic development as a top priority.

Among formal written submissions, 34 respondents (25%) explicitly called for environmental protection as the top priority for a new royalty regime; in contrast, 15 respondents (11%) explicitly called for economic development as a top priority. As with other topics in this review, there was a strong split between industry and the public, with industry representatives and advocacy groups pushing for economic development as a top priority while academics, NGOs, and private citizens favoured environmental protection.

Some private citizens and NGOs (n=18, 13%) made the case in their submissions that environmental protection and a fair return to the public are deeply intertwined, due to the costs of climate change and environmental degradation to the province and its citizens. These comments emphasized that high royalty rates and, ultimately, the overall discouragement of oil and gas production in B.C. will result in both environmental protection *and* a fair return on the resource for British Columbians, due to savings on environmental remediation and disaster response due to climate change.

Similarly, a majority of written submissions (n=48) called on the provincial government to use the royalty regime as another tool in fighting climate change and decarbonizing the province. These submissions urged the government to make the cost of extracting oil and gas economically unsustainable for industry, to align with the province's *Roadmap to 2030* strategic priorities and a broader push to decarbonize the provincial economy as a whole. Several of these submissions noted that it was nonsensical for the provincial government to support a carbon-emitting industry while also spending money to address carbon emissions and climate change impacts elsewhere. Others noted that oil and gas is a sunset industry and is not as economically important, or sustainable, as industry advocates have suggested.

Finally, some written submissions (n=10) noted that UNDRIP principles needed to be incorporated as guiding principles of any new oil and gas royalty framework, moving beyond just “meaningful engagement” with Indigenous communities.

4.3 Feedback on Proposed Royalty Structures

4.3.1 Overall Feedback

Approximately four in ten respondents selected a flat rate with no capital recovery as their preferred royalty structure. A flat rate with capital recovery was selected by approximately one-third (35%) of respondents as the next preferred royalty structure, while a royalty linked to economic value was selected by slightly less than one-quarter (23%) of respondents as their third ranked royalty structures ([Table 4.2](#)).

Table 4.2: Ranking of Preferred Alternative Royalty Structures

Alternative Royalty Structures (n=938)	Ranked First	Ranked Second	Ranked Third
Flat rate with no capital recovery	41%	11%	21%
Flat rate with capital recovery	12%	35%	17%
Royalty linked to economic value	25%	16%	23%
Prefer not to answer	22%	38%	40%

Survey question 6: “The Discussion Paper describes three alternative royalty structures: flat rate royalty based on production – no capital recovery mechanism; flat rate royalty based on production – with capital recovery mechanism; royalty linked to economic value (revenue minus cost-(RMC)). How would you rank these three structures in terms of preference?” Respondent proportions may not add to 100% due to rounding.

A flat rate with no capital recovery was the top-rated proposed royalty structure among those living/working in the province with the exception of those in the Northeast and outside of the province who were more likely to select royalty linked to economic value as their top ranked royalty structure (See [Table C 14](#) in [Appendix C](#)).

Among interest groups, those who identified as First Nation/Indigenous, and those associated with an oil or gas company were more likely to rank royalty linked to economic value as their top ranked royalty structure. Whereas members of the public and those associated with other interest groups were more likely to select a flat rate with no capital recovery as their top-rated proposed royalty structure (Note: base sizes for all groups except members of the public were too small to report proportions. See [Table C 15](#) in [Appendix C](#)).

The nine form letters critical of the oil and gas industry received in email submissions (74% of form letters received) all called for the implementation of a flat rate on production, with no capital recovery mechanisms. Letters emphasized a few arguments in favour of this approach:

1. A flat rate on production allows the government to set a cost for production that reflects the true cost of oil and gas extraction, in terms of social, environmental, and health effects on the province’s citizens and environments;
2. Elimination of capital recovery mechanisms will disincentivize companies from pursuing low producing or otherwise non-profitable wells and drilling operations, thus reducing the impacts of environmental degradation and water contamination associated with oil and gas operations; and
3. As a result of the above factors, this option is the only one that truly puts environmental protection ahead of profit for oil and gas companies.

The one form letter that was broadly supportive of the oil and gas industry (26% of all form letters received) in the email submissions recommended against a flat rate royalty structure, and instead recommended the

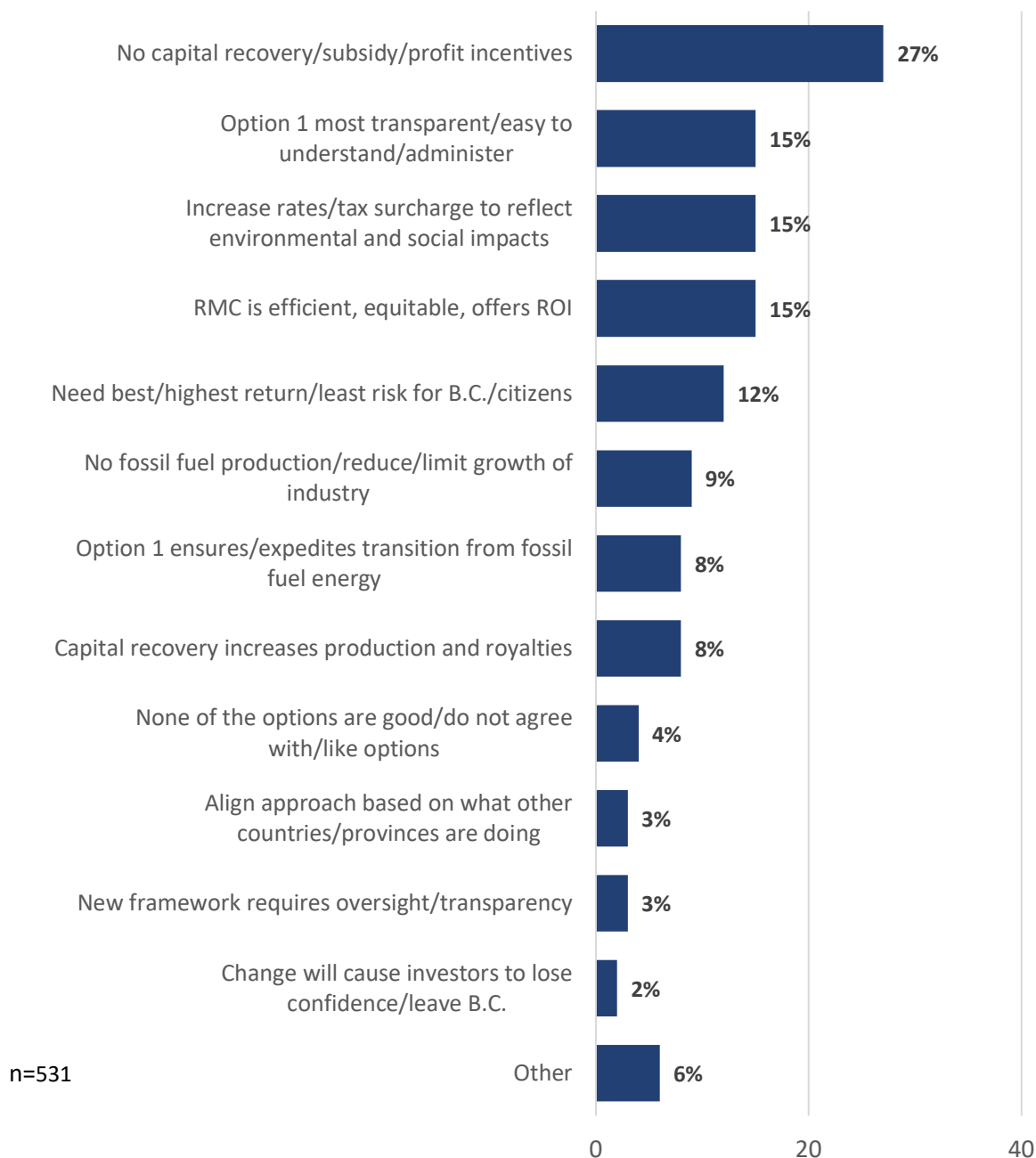
third option, a revenue-minus-cost model. Reasons for this option included a need to be cost-competitive with other jurisdictions, and the need to account for the more challenging geography of the province (and associated challenges with extraction and transportation).

As noted previously, the majority of email and formal submissions favoured a flat rate with no capital recovery mechanism, while a small number preferred a revenue-minus-cost model. In general, industry was in favour of a revenue-minus-cost model, while nearly all other stakeholder groups preferred a flat rate with no capital recovery.

4.3.2 Concerns and Suggestions Related to Proposed Alternative Royalty Structures

Respondents were asked why they chose their order of preference for a proposed royalty structure. More than half (57%) of respondents provided a reason with the top mention (by more than one-quarter of these respondents) being that they felt the oil and gas industry should not be given any further subsidies or profit incentives and that capital recovery should not be included as part of a royalty structure ([Figure 4.4](#)).

Figure 4.4: Reasons for Selection of Proposed Alternative Royalty Structures



Survey question 6b: "Please tell us the reason you chose this order for alternative royalty structures." Multiple responses permitted. Excludes those who preferred not to answer.

Among those living/working in the areas of Mainland/Southwest, Vancouver Island/Coast, Kootenay, and Cariboo, the most frequently mentioned response for their order of preference for a proposed royalty structure aligned with that of overall responses. Those living/working in Thompson-Okanagan were more likely to mention the need for increased rates and/or a tax surcharge to reflect environmental and social impacts. Those living/working in the North Coast & Nechako were more likely to also mention the need for the best/highest return with least risk for B.C. citizens as they were to mention the oil and gas industry

should not be given any further subsidies or profit incentives. Whereas those in the Northeast and outside of the province were more likely to feel that a royalty linked to economic value was efficient, equitable, and offers return on investment (See [Table C 16](#) in [Appendix C](#)).

Members of the public, First Nation/Indigenous persons, and those associated with local government most frequently mentioned that oil and gas industry should not be given any further subsidies or profit incentives and capital recovery should not be included as part of a royalty structure as response for their order of preference for a proposed royalty structure. Those associated with an oil and gas company were more likely to say that a royalty linked to economic value was efficient, equitable, and offers return on investment, while those associated with an oil and gas association were more likely to mention that capital recovery increases production and royalties. Finally, those associated with community organizations or others noted that royalty rates should increase or have a tax surcharge to reflect environmental and social impacts as their most frequently mention response. (Note: base sizes for all groups except members of the public were too small to report proportions. See [Table C 17](#) in [Appendix C](#)).

As noted in **Section 4.3.1**, the majority of form letters received (n=9, 74% of all form letters received through email) preferred a model that included no capital cost recovery mechanisms. Discussion of capital recovery mechanisms and tax credits in these letters made clear that these credits are viewed by the public as, essentially, subsidies for the oil and gas sector; all of these form letters indicated that public tax dollars should not be used to “prop up” what they saw as a damaging industry in the province.

Further, all nine form letters received that were critical of the oil and gas industry emphasized that a flat rate should be set at a high level. The purpose of setting a high flat rate was two-fold: first, a high rate would reflect the true social, environmental, and health costs of oil and gas extraction in the province; and second, a high rate would disincentivize oil and gas extraction and contribute to the overall decarbonization of B.C.’s economy, a goal that these letters felt was inevitable in the face of climate change and should be prioritized to minimize ongoing climate impacts.

In contrast, the one form letter received that was supportive of the oil and gas industry (26% of all form letters received through email) urged the government to retain capital cost recovery mechanisms. This letter emphasized that such capital recovery mechanisms are necessary for B.C. LNG to be competitive with other jurisdictions, due to the unique geography challenges found in the province.

Among emails and formal submissions that advocated for a flat rate on oil and gas extraction, the following considerations were raised in setting prices:

- Any royalty rate should be high enough to offset the cost to governments in terms of social, environmental, and health effects of oil and gas extraction (e.g., environmental remediation for abandoned wells, health impacts of LNG and fracking operations, additional strain on local governments for policing and other services due to work camps, etc.);
- The provincial government should incorporate higher water usage charges, as fracking pollutes and effectively takes used water out of the water cycle due to the presence of carcinogens;
- The province should impose a climate impact surcharge, or set a flat rate that reflects the current carbon price in the province, to account for the impacts of oil and gas that is extracted in B.C. but burned elsewhere;

- The province should impose fines or other costs for methane leakage or “lost” volumes of LNG, as the methane that escapes into the atmosphere has its own climate impacts; and
- Royalty rates should apply not just to oil and LNG but also to condensates and natural gas liquids, to ensure that the province is collecting royalties on the full value of oil and gas products being extracted.

In contrast, emails and formal submissions that were in favour of the industry, in general, and preferred a revenue-minus-costs model made two arguments in favour of the model. First, many industry representatives argued that the geography and regulatory climate of B.C. makes oil and gas extraction more challenging, and therefore more favourable royalty structures were needed to attract investment. Second, some also noted that a royalty model that is sensitive to price fluctuations encourages investment even during periods of price depression.

4.3.3 Additional Royalty Structures to Consider

A total of 418 respondents (45%) suggested alternative royalty structures for government to consider. These suggestions were reviewed and coded; several structures and/or elements were identified and are described below.

- Regulatory approach (n=35; 8% of respondents answering the question): A regulatory approach would ensure compliance with any new royalty structures and suggests penalties be imposed for non-compliance. Some suggested that if companies were unwilling to comply with the new royalty structure, they should be taken over by the government (i.e., nationalize industry).
- Create fund dedicated to cleanup, decommissioning of wells, and environmental restoration (n=33; 8% of respondents answering the question): A portion of fees collected through royalty payments (or in addition to royalty payments) should be set aside to create a fund to help with cleanup costs and environmental restoration as well as for the decommissioning of well. Some suggested that companies be required to post higher bonds in order to ensure that wells are not abandoned and cleanup is completed by those who extract the resource.
- Tax based model (n=15; 4% of respondents answering the question): The tax-based model would be linked to profits realized by oil and gas companies. This could also include a carbon tax on fossil fuel exports.
- Flat rate plus variable rate (n=11; 3% of respondents answering the question): The flat rate would ensure a minimum royalty fee is set, with a variable rate on top of the flat rate that can be adjusted based on production or market rates.
- Adopt royalty structures used by other countries/provinces (n=7; 2% of respondents answering the question): A few respondents noted that the Royalty Review should look at adapting royalty structures used by other countries such as Norway or provinces such as Alberta.

In addition to the alternative structures mentioned above, respondents also mentioned a number of issues and/or conditions that should be considered when developing an alternative royalty structure, including:

- A royalty structure that should not include capital recovery, profit incentives or any provisions for grandparenting; the oil and gas industry should bear all the costs and not be provided with any form of subsidy (n=105; 25% of respondents answering the question).

- Any royalty structure should be designed to reduce or limit the growth of the oil and gas industry by making it unfeasible or unsustainable to extract resources (n=98; 23% of respondents answering the question).
- Royalty rates should be set high to reflect true costs of production including any environmental and/or social impacts stemming from resource extraction (n=73; 18% of respondents answering the question).
- The time to act is now and/or make the transition to a new royalty framework as soon as possible citing that it has been too long since royalties had been reviewed or changed (n=51; 12% of respondents answering the question).
- Royalties should be directed to renewable energy and/or used to provide incentives to companies to reposition their business on renewable energy or to wind down responsibly (n=43; 10% of respondents answering the question).
- The royalty framework/review should be used as a tool for climate action/environmental protection (n=21; 5% of respondents answering the question).
- Royalty system developed in partnership with Indigenous peoples (n=14; 3% of respondents answering the question).

Few comparisons can be made across regions and interest groups due to the small number of respondents in several sub-groups that provided an answer to the survey question asking for alternative royalty structures. The majority of those responding in any sub-group preferred to offer general comments as noted above on issues and/or conditions that should be considered when developing an alternative royalty structure. However, respondents living/working in Mainland/Southwest, Vancouver Island/Coast, and Kootenay were more likely to suggest a regulatory approach and/or creating a cleanup fund as alternative approaches to royalty structures than were those living in any other area of the province or outside of B.C. (See [Table C 20](#) and [Table C 21](#) in [Appendix C](#)).

There were further themes that emerged from these nine form letters, related to outstanding owed credits and water use. Four form letters (representing 1,809 emails, 40% of all form letter emails) called on the government to resolve the outstanding nearly \$4 billion in owed tax credits to the industry without foregoing revenue; letters suggested that these credits should be forfeited and directed instead to addressing abandoned wells and other remediation issues, or otherwise be retained by the province for addressing environmental impact issues.

Four form letters (representing 1,207 emails, 27% of all form letter emails) also noted concerns around the cost charged to oil and gas companies for the use of freshwater. These emails all called for the provincial government to increase water usage rates for oil and gas companies; comments emphasized the fact that water used in fracking operations becomes contaminated with things like radon and benzene, forcing quarantine of the used water and essentially taking it out of the water cycle until significant remediation work can be done. For this reason, emails expressed that there should be much higher rates charged to oil and gas companies for their use of water resources in the province.

As noted in **Section 4.3.2** above, respondents who favoured a flat rate with no capital recovery also identified many concerns and costs to the province that justified a high flat rate, such as higher surcharges for water use, fines for methane leakages, and others. Formal submissions from industry representatives, in general, did not identify novel approaches to incorporate into a new royalty framework; these submissions

tended to support the current framework and advocated for minimal changes, maintaining a revenue-minus-cost approach and the retention of earned royalty credits.

4.4 **Feedback on Transitioning to a New Royalty Structure**

4.4.1 **Preference for Transition Scheme**

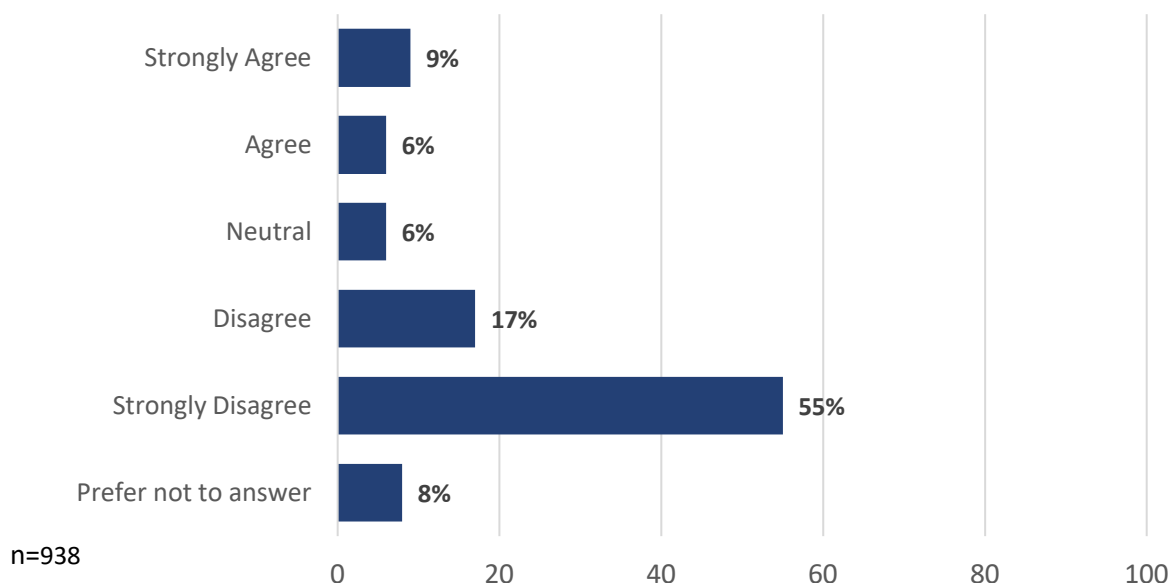
Respondents were asked to rate, on a five-point scale, their agreement with the following options for transitioning to a new royalty structure:

- Option 1 – Gradual approach with extended grandparenting.
- Option 2 – Set date with adjustments to account for differences

Over two-thirds of survey respondents (69%) agreed or strongly agreed with option 2 – a set date with adjustments to account for differences.

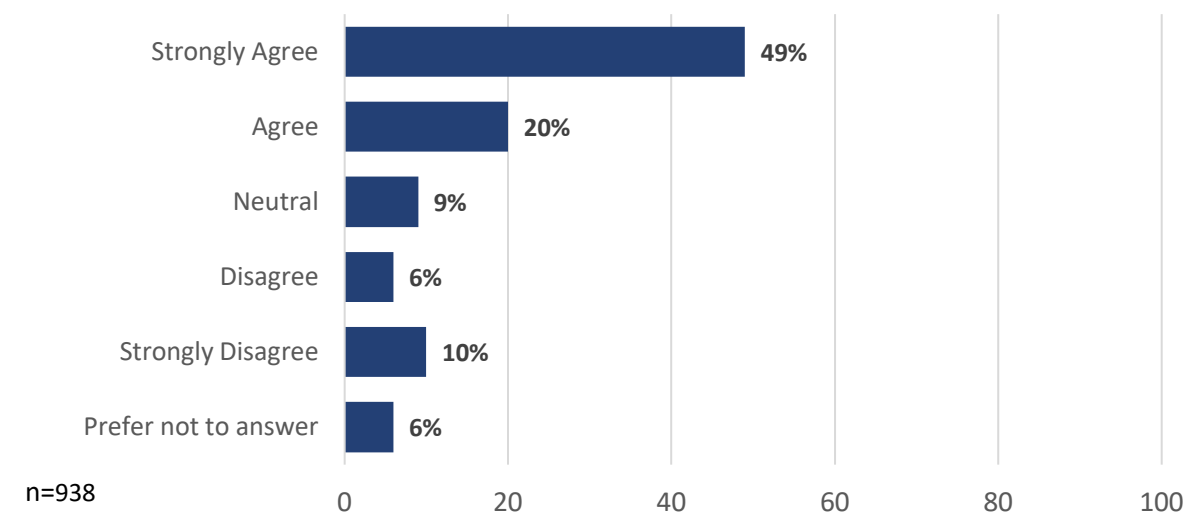
[Figures 4.5](#) and [4.6](#) illustrate the extent of agreement among respondents for the two proposed royalty structures.

Figure 4.5: Respondent Agreement for a Gradual Approach with Extended Grandparenting



Survey question 8a: “The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandparented for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with each option?” Option 1, gradual approach with extended grandparenting. Respondent proportions may not add to 100% due to rounding.

Figure 4.6: Respondent Agreement for a Set Date with Adjustments to Account for Differences



Survey question 8b: “The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandfathered for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with each option?” Option 2, set date with adjustments. Respondent proportions may not add to 100% due to rounding.

Across areas of residence/work, the majority of respondents disagreed or strongly disagreed with option 1 (a gradual approach with extended grandparenting) with the exception of those living/working in the Northeast (34% vs. range of 50% to 85% among those living/working in other regions of B.C. or outside of the province) (See [Table C 22](#) in [Appendix C](#)).

With respect to option 2 (set date with adjustments to account for differences), the majority of respondents across B.C. and those living/working outside of the province agreed or strongly agreed with option 2 with the exception of those living/working in the Northeast (27% vs. range of 51% to 81% among those living in other regions of B.C or outside of the province) (See [Table C 23](#) in [Appendix C](#)).

Among interest groups, the majority of respondents disagreed or strongly disagreed with option 1 (a gradual approach with extended grandparenting) with the exception of those associated with an oil and gas company (20% vs. range of 50% to 90% among other groups) (Note: base sizes for all groups except members of the public were too small to report proportions. See [Table C 24](#) in [Appendix C](#)).

The majority of respondents across all interest groups agreed or strongly agreed with option 2 (set date with adjustments to account for differences) with the exception of those associated with an oil and gas company (13% vs. range of 50% to 90% among other groups) (Note: base sizes for all groups except members of the public were too small to report proportions. See [Table C 25](#) in [Appendix C](#)).

Of the nine form letters that were in favour of a flat rate on production with no capital recovery mechanism (74% of all form letter emails received), six explicitly addressed the timing of a transition to a new framework (representing 3,203 emails, or 71% of all form letter emails). All of these letters urged a transition to a new framework as fast as possible.

Likely due to the fact that the form letter in support of the oil and gas industry did not recommend major changes to the royalty framework, there was no discussion of the timeline for transition to a new framework in this campaign and no recommendations were made for a transition timeframe.

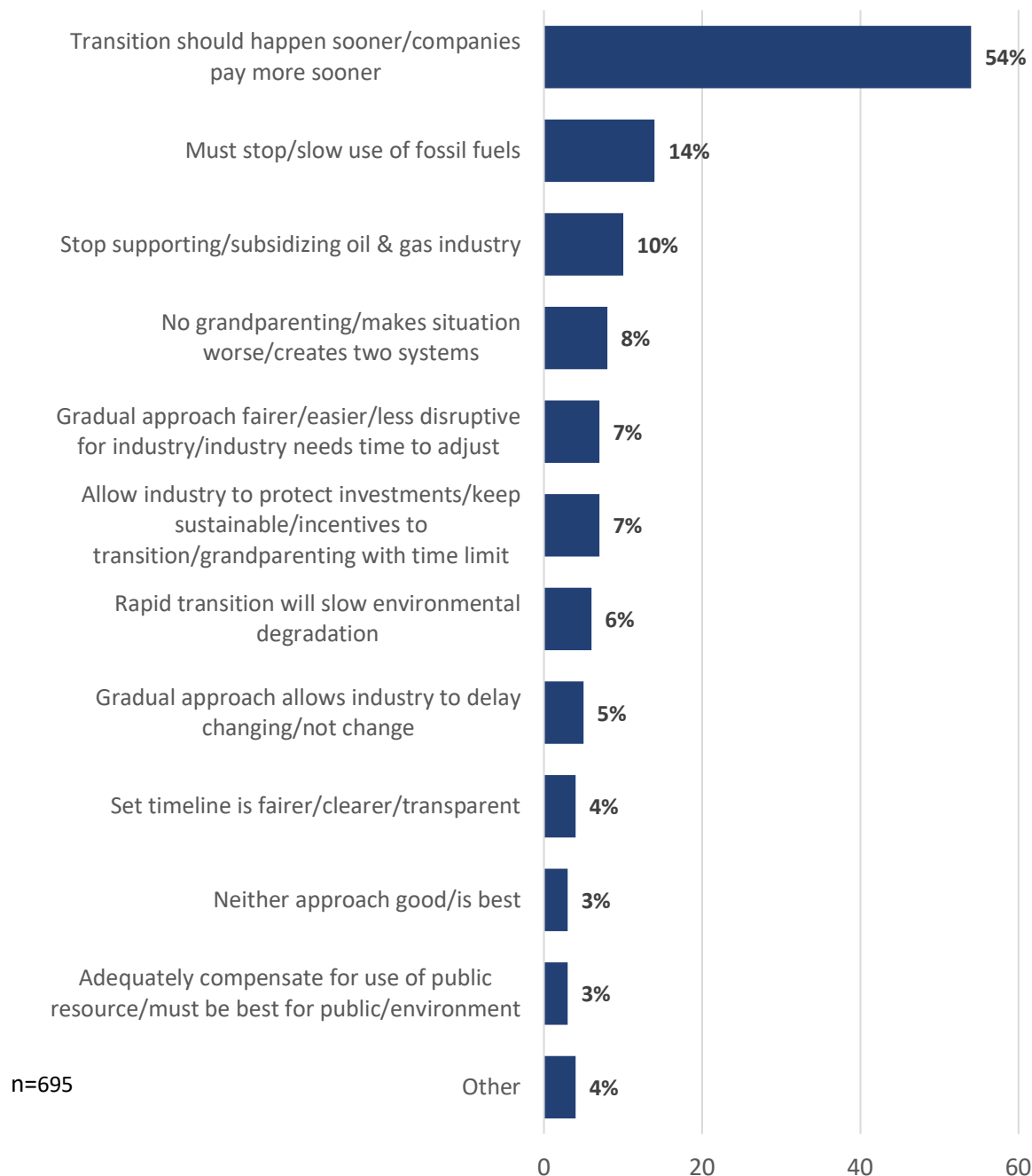
Among formal submissions, not all submissions explicitly commented on transition timelines. However, among those that did *and* supported a flat rate with no capital recovery, all supported as quick a transition as possible (n=41, 30%). Many of these submissions specifically recommended a timeline of one-and-a-half to two years, with no extended grandfathering for existing wells.

In contrast, formal submissions from industry and industry groups were split on the timing of a transition to a new structure. About one-half of industry submissions (n=8) noted that a long period of transition can be overly complicated and result in administrative burdens. However, nearly all industry and association submissions (n=20) recommended extended grandfathering for existing wells and/or the honouring of already-earned royalty credits.

4.4.2 Concerns and Suggestions Related to Transition

Respondents were asked why they chose their level of agreement with the options for transitioning to a new royalty structure. Approximately 74% of respondents provided a reason with more than one-half of these respondents indicating the transition should happen sooner so that companies can pay more royalties sooner. Less frequently mentioned reasons included: stopping or slowing the use of fossil fuels, no grandfathering of companies into the new royalty structure, using a gradual approach to implement a new royalty framework, and allowing companies to protect their investments or keep sustainable by providing incentives to transition or permit grandfathering for a set period of time ([Figure 4.7](#)).

Figure 4.7: Reasons for Level of Agreement with Options for Transitioning to a New Royalty Structure



Survey question 8c: "Please tell us why you chose your level of agreement with the two options." Multiple responses permitted. Excludes those who preferred not to answer.

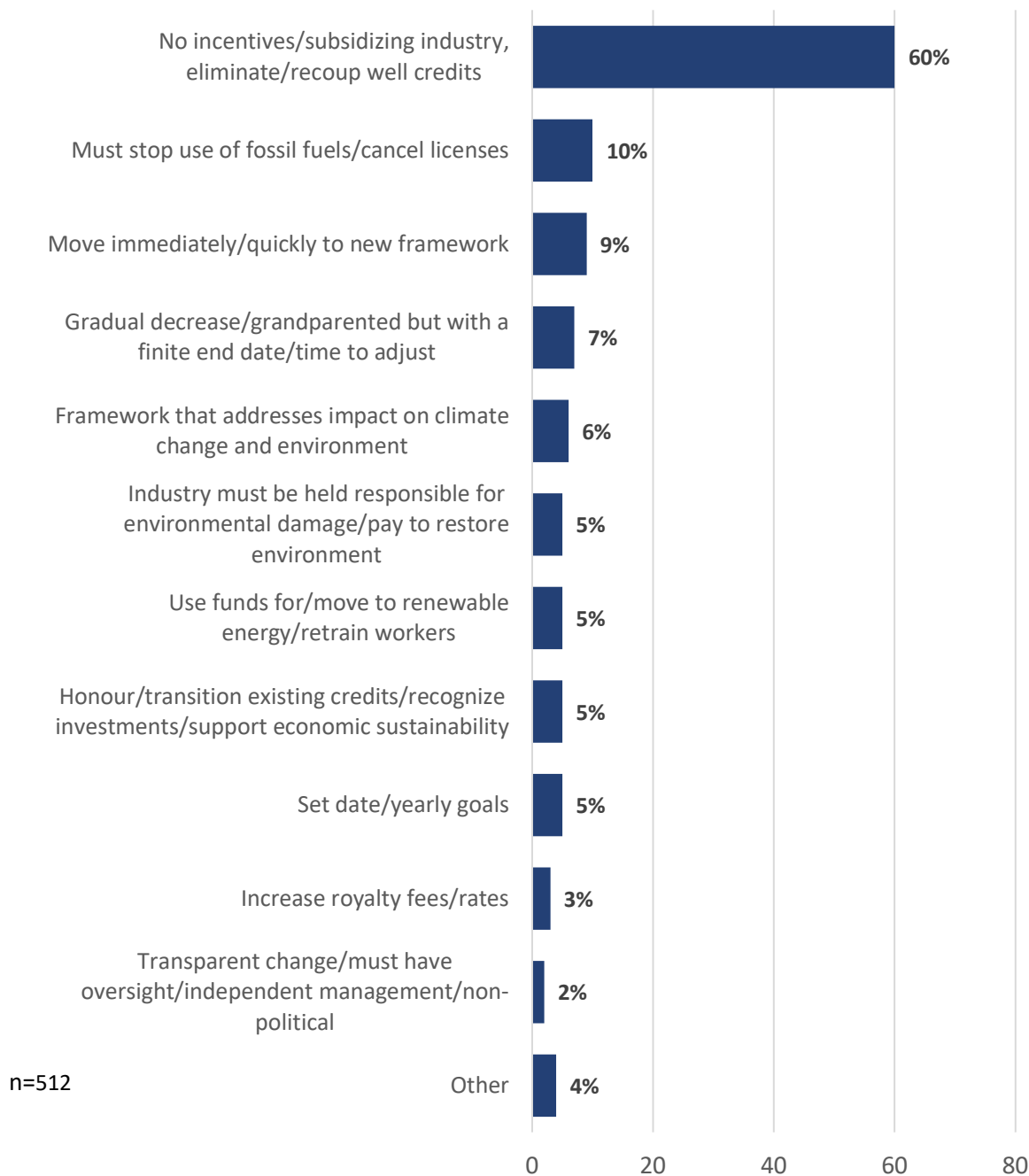
Across areas of residence/work, the most frequently mentioned reason for level of agreement with the options for transitioning to a new royalty structure was that the transition should happen sooner so companies can start paying more royalties with the exception of those living/working in the Northeast. For these respondents, the most frequently mentioned reason was to allow companies to protect their investments or remain sustainable by providing incentives to help them transition or permit grandparenting for a set period of time (See [Table C 26](#) in [Appendix C](#)).

Those associated with an oil or gas company were also more likely to feel that companies should be allowed to protect their investments or remain sustainable by providing incentives to transition or permit grandparenting for a set period of time as the reason for their level of agreement with the options for transitioning to a new royalty structure. (Note: base sizes for all groups except members of the public were too small to report proportions. See [Table C 27](#) in [Appendix C](#)).

4.4.3 Royalty Incentives During Transition

Respondents were asked whether they had a preference for how existing royalty incentives, including the Deep Well program, are managed during the transition process. More than half (55%) of respondents indicated a preference with the top mention being that they felt the oil and gas industry should not be given any further subsidies or incentives and that the government should eliminate or find a way to recoup existing well credits ([Figure 4.8](#)).

Figure 4.8: Preference for How Existing Royalty Incentives are Managed During Transition Process



Survey question 9: “Do you have a preference in how existing royalty incentives, including the Deep Well program, are managed during the transition process?” Multiple responses permitted. Excludes those who preferred not to answer.

The perception that the oil and gas industry should not be given any further subsidies or incentives and that the government should eliminate or find a way to recoup existing well credits were the most frequently mentioned responses among those living/working in B.C. Those living/working outside of the province were most likely to mention a gradual increase in implementing a new royalty framework including

grandfathering but with a finite end date so that companies would have time to adjust (See Table C 28 in Appendix C).

The perception that the oil and gas industry should not be given any further subsidies or incentives was the most frequently mentioned response by members of the public, First Nations/Indigenous groups, those associated with local government, and NGOs/others. Those associated with an oil or gas company or association were more likely to mention: a gradual increase in implementing a new royalty framework including grandfathering but with a finite end date so that companies have time to adjust, and to honour or transition existing credits in recognition of the investments companies have made and to support economic sustainability. (Note: base sizes for all groups except members of the public were too small to report proportions (See [Table C 29](#) in [Appendix C](#)).

As noted in previous sections, most form letters received by email (n=9, 74% of all form letter emails) indicated that royalty incentives and credits are, essentially, government subsidies for the oil and gas industry. All of the letters that addressed a timeframe for transition to a new royalty system emphasized a transition occurring as fast as possible, including the elimination of royalty credits. Further, as discussed in Section 4.3.3, approximately 40% of all form letter emails received recommended against paying out tax credits owed to the industry by the province, and instead retaining those revenues for environmental remediation and/or climate impacts associated with oil and gas exploitation.

As the one form letter in support of the oil and gas industry did not make recommendations for major changes to the royalty system overall and was in favour of retaining capital cost recovery mechanisms and other incentives, there was no comment in this letter about how existing royalty incentives should be handled during a transition period.

Fourteen of the unique email submissions specifically called for previously earned royalty credits not to be honoured. Similarly, 26 formal submissions made similar recommendations, although a few of these were more tempered and suggested that the provincial government find a way not to pay out the “full value” of the credits, recognizing that withholding them entirely may present legal challenges.

The majority of unique emails (n=68) and formal submissions (n=46) called for a complete halt to royalty credits and incentives; the Deep Well royalty credit was mentioned frequently as a specific royalty credit to be ended; however most submissions were also in favour of ending *all* credits and cost-recovery mechanisms in the royalty framework. Many formal submissions made clear that these credits were viewed by the public as a form of government subsidy to the industry.

5 SUMMARY

How do British Columbians feel about the current Oil and Gas Royalty Framework?

The majority of the public and interest groups in B.C. who responded were highly critical of the current Oil and Gas Royalty Framework and support major changes to the system as recommended in the Independent Assessment report. Only 4% of respondents reported disagreeing with the Independent Assessment, compared to 77% who agreed or strongly agreed.

Themes emerging from comments and email campaigns emphasized the following opinions on the current Oil and Gas Royalty Framework:

- Current royalty rates are too low and do not reflect the true cost of oil and gas extraction (e.g., social, environmental, and health impacts in the province);
- Various royalty credits incentivize the creation of new wells and LNG operations, exacerbating environmental degradation and water pollution issues; and
- The current Framework is at odds with the B.C. Government's stated priority of environmental protection and decarbonization.

While a minority of email form letter submissions and survey completers were, in general, more favourable to the oil and gas sector, comments from these respondents did not include extensive feedback on the *current* Framework under review. Instead, comments and themes tended to focus on the need for B.C.'s Framework to be competitive with other jurisdictions (2% of comments to Q4b of the survey, 26% of form email submissions).

Formal written submissions from stakeholders made clear that the majority of the public, as well as other organizations such as academic interests, NGOs, and Indigenous partners, view the current royalty regime as unreasonably favourable to the oil and gas industry. Many referred to royalty credits as "subsidies" to the industry and argued that the provincial government should use a royalty regime as yet another tool to meet the province's overall strategic priority of decarbonizing the economy and meeting net-zero emissions by 2030. Comments in favour of the current oil and gas royalty framework came almost exclusively from industry representatives.

What do British Columbians want to see in an updated Oil and Gas Royalty Framework?

A large majority of survey respondents (77%) emphasized that environmental protection should be the top priority of a new Oil and Gas Royalty Framework, followed by a fair return on the resource (51% rated this as a second priority), with economic sustainability being the last-ranked priority (42% rated this as a bottom priority). This trend was also reflected in form email submissions, with 74% of all form emails identifying environmental protection as the top priority for a new framework. Many of these emails also emphasized that a new framework should set rates high enough to be a disincentive to oil and gas extraction, thus contributing to an overall strategic goal of decarbonizing British Columbia's economy.

A flat rate on production, with no capital recovery mechanisms, was the most-preferred option of all three potential royalty structures. Among survey respondents, 41% ranked this as their top preference, followed by a flat rate with capital recovery mechanisms (35% ranked this as their second choice), with a revenue minus cost model being the least-preferred option (23% ranked this as their bottom choice). This

preference for a flat rate with no capital recovery was reflected in form email submissions, with 74% of all form emails urging the government to adopt such a framework. The remainder of form email submissions (26%) was in favour of a revenue-minus-cost model.

Reasons for preferring a flat rate with no capital recovery included:

- The ability of the government to set a rate that reflects the cost of extraction, rather than being tied to the fluctuating market value of oil and gas that may not reflect the environmental and climate externalities of production and/or use; and
- A belief that this model is the only one that truly prioritizes environmental protection, as capital recovery mechanisms incentivize the pursuit of additional operations and wells, and the revenue-minus-cost model guarantees profitability for oil and gas companies regardless of environmental impact or global demand for a “transitional” or sunset resource.

Unique email submissions and formal written submissions, generally, reflected the above concerns. Comments emphasized the need to use the royalty framework as a tool to disincentivize oil and gas extraction through high royalty rates with no capital cost recovery and indicated that collected royalties should be used to support a transition to a greener economy and cleaner energy generation. Emails and written submissions largely favoured a flat rate with no capital cost recovery mechanism, an end to royalty credits (especially the Deep Well credit), and efforts made by the province to retain as much value as possible in already-earned royalty credits.

Industry representatives tended to be in favour of a revenue-minus-cost model, with some allowances to modest changes to royalty credits but overall, a retention of the current system as much as possible.

How do British Columbians want to see a transition in Royalty Frameworks roll out?

Most participants in this engagement favour a transition that occurs as fast as possible; 69% of respondents were in favour of a transition that occurs as soon as possible with no “grandparenting”, and 72% of respondents were *against* a gradual transition with extended grandparenting. Similarly, 71% of form email submissions called for a transition to a new framework to occur as fast as possible.

Email submissions and written submissions similarly tended to favour a fast transition with as little grandparenting as possible; a timeframe of one and a half to two years was cited by many. Further, many email and formal submissions called for the provincial government to make efforts to retain as much of the value of existing earned royalty credits as possible.

In contrast, while industry was somewhat divided on the length of time needed to transition to a new framework, nearly all submissions from this group advocated for an extended grandparenting period, in order to retain the value of already-made investment decisions for oil and gas companies.

APPENDIX A: SURVEY INSTRUMENT

Royalty Review Discussion Paper Feedback Form

The Province is undertaking a review of the oil and natural gas royalty framework which has been in place for almost 30 years. This is your opportunity to have your say on a new royalty framework that aligns with the Province's goals for economic development, a fair return on the public resource and environmental protection.

Please share your feedback on the proposed Royalty Review. Your participation in this feedback form is voluntary.

Your feedback will be considered in the development of a new royalty framework. The Ministry of Energy, Mines and Low Carbon Innovation will post an updated policy in February 2022 and implementation of the proposed policy direction will begin shortly thereafter.

1. What best describes how you are responding to this feedback form? I am responding on behalf of a/an:
 - ☐ Oil and Gas Company
 - ☐ First Nation / Indigenous person
 - ☐ Local government
 - ☐ Member of the public
 - ☐ Oil and Gas Industry Association
 - ☐ Non-Governmental Organization
 - ☐ Other / Community Organization
2. In which region do you live or work?
 - ☐ Mainland / Southwest
 - ☐ Vancouver Island / Coast
 - ☐ Thompson-Okanagan
 - ☐ Kootenay
 - ☐ North Coast & Nechako
 - ☐ Northeast
 - ☐ Cariboo
 - ☐ Outside of B.C.
3. What is your level of agreement with the following statements?
 - a. I have a strong understanding of the Oil and Natural Gas Industry in B.C.
 - ☐ 1 – Strongly Disagree
 - ☐ 2
 - ☐ 3
 - ☐ 4
 - ☐ 5 – Strongly Agree

- b. I have a direct involvement in the Oil and Natural Gas Industry in B.C.
- ☐ 1 – Strongly Disagree
 - ☐ 2
 - ☐ 3
 - ☐ 4
 - ☐ 5 – Strongly Agree
4. The government-commissioned Independent Assessment (IA) concluded that the natural gas royalty framework is outdated and needs comprehensive reform. What is your level of agreement with the conclusion of the Independent Assessment?
- ☐ 1 – Strongly Disagree
 - ☐ 2
 - ☐ 3
 - ☐ 4
 - ☐ 5 – Strongly Agree
 - ☐ I did not read the IA
- 4b. Please tell us why you chose your answer above.
<open-ended text field>
5. The Discussion Paper describes balancing government's three overarching goals for the Royalty Review: economic development; a fair return on the public resource; and environmental protection. How would you rank these three goals in terms of importance?
- Rank 1: [Option of environmental protection, a fair return on our resource, economic sustainability]
- Rank 2: [Option of environmental protection, a fair return on our resource, economic sustainability]
- Rank 3: [Option of environmental protection, a fair return on our resource, economic sustainability]
- 5b. Please tell us the reason you chose this order.
<open-ended text field>
6. The Discussion Paper describes three alternative royalty structures: flat rate royalty based on production – no capital recovery mechanism; flat rate royalty based on production – with capital recovery mechanism; royalty linked to economic value (revenue minus cost-(RMC)). How would you rank these three structures in terms of preference?
- Rank 1: [Option of flat rate with no capital recovery, flat rate with capital recovery, royalty linked to economic value]
- Rank 2: [Option of flat rate with no capital recovery, flat rate with capital recovery, royalty linked to economic value]
- Rank 3: [Option of flat rate with no capital recovery, flat rate with capital recovery, royalty linked to economic value]
- 6b. Please tell us the reason you chose the order above.
<open-ended text field>
7. Is there another structure you would suggest to government?
- ☐ Yes
 - ☐ No

7b. [If responded “yes” to above only] Please describe this alternative structure.

<open-ended text field>

8. The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandfathered for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with each option?

a. Option 1, gradual approach with extended grandfathering

- ☐ 1 – Strongly Disagree
- ☐ 2
- ☐ 3
- ☐ 4
- ☐ 5 – Strongly Agree

b. Option 2, set date with adjustments

- ☐ 1 – Strongly Disagree
- ☐ 2
- ☐ 3
- ☐ 4
- ☐ 5 – Strongly Agree

8c. Please tell us why you chose your answer above.

<open-ended text field>

9. Transitioning to a new royalty framework will require addressing current royalty incentives, including the Deep Well program. Do you have a preference for how existing royalty incentives, including the Deep Well program, are managed during the transition process?

<open-ended text field>

APPENDIX B: SURVEY CODING FRAMEWORK

Survey Coding Framework

Code	Name
Q4b. Please tell us why you chose your level of agreement with the conclusion of the Independent Assessment.	
1	Royalty amounts too small/need to be increased/ fair share to province/citizens
2	Oil and gas subsidies should be used elsewhere/invested in renewable energy
3	New framework to account for impacts on environment
4	Support for review/change, needs updating/reform, ineffective, too complex
5	Framework should address reconciliation/include Indigenous peoples
6	Reduce/eliminate production/dependence on fossil fuels
7	Reduce/eliminate subsidies/incentives
8	More transparency/monitoring/reduce mismanagement of resource
9	Government should not interfere/too many regulations
10	Look at what other countries/provinces are doing
77	Other
Q5b. Please tell us the reason you chose this order of importance for the overarching goals	
1	Fossil fuel extraction responsible for climate change/destroying environment
2	Environmental protection must be considered above all other factors
3	Economic sustainability balanced with private profit, social benefit, environmental sustainability
4	Framework to address/make industry more accountable for environmental impacts
5	Fossil fuel extraction/industry not sustainable
6	Must have a sustainable/strong economy
7	Focus on renewable energy
8	Climate change is biggest issue
9	Reduce/eliminate production/dependence on fossil fuels
10	No capital recovery/subsidy/incentives/industry must bear costs
11	Industry to pay more for extraction/fairer return to public for resource
12	Industry under pressure/change will cause investors to lose confidence/leave B.C.
13	Must involve First Nations/respect Indigenous rights
14	Gas is necessary/important resource
77	Other

Code	Name
Q6b. Please tell us the reason you chose this order for alternative royalty structures	
1	Option 1 ensures/expedites transition from fossil fuel energy
2	Increase rates/tax surcharge to reflect environmental and social impacts
3	No capital recovery/subsidy/profit incentives
4	No fossil fuel production/ reduce/limit growth of industry
5	Option 1 most transparent/easy to understand/administer
6	Align approach based on what other countries/provinces are doing
7	RMC is efficient, equitable, offers ROI
8	Capital recovery increases production and royalties
9	Need best/highest return/least risk for B.C./citizens
10	None of the options are good/do not agree with/like options
11	Change will cause investors to lose confidence/leave B.C.
12	New framework requires oversight/transparency
77	Other
Q7b. Please describe this alternative structure you would suggest to government	
1	Increase rates/tax higher to reflect true costs of production (environmental and social costs)
2	Focus on renewable energy/ royalties directed to renewable energy/incentives to switch/become more sustainable
3	No capital recovery/ subsidy/ profit incentives/grandparenting/industry must bear costs
4	Reduce/limit growth/make it unfeasible/unsustainable to extract resource
5	Regulatory approach/penalty for not complying/nationalize industry
6	Create fund/higher bonds dedicated to clean-up, decommissioning of wells, environmental restoration
7	Tax based model
8	Flat rate plus variable rate
9	Use framework as tool for climate action/environmental protection
10	Royalty system developed in partnership with Indigenous peoples
11	Look at frameworks in other countries/provinces
12	Companies should be allowed grandparenting/industry needs time to adjust
13	Need to act now/transition now

Code	Name
77	Other
Q8c. Please tell us why you chose your level of agreement with the two options	
1	Gradual approach fairer/easier/less disruptive for industry/ industry needs time to adjust
2	Rapid transition will slow environmental degradation
3	Set timeline is fairer/clearer/transparent
4	Transition should happen sooner/companies should pay more sooner
5	Stop supporting/subsidizing oil & gas industry
6	Must stop/slow use of fossil fuels
7	Allow industry to protect investments/keep industry sustainable/incentives to transition/grandparenting with time limit
8	Gradual approach allows industry to delay changing/drag heels/not change
9	No grandparenting/makes situation worse/creates two systems
10	Neither approach good/is best
11	Adequately compensate for use of public resource/must be best for public/environment
77	Other
Q9. Do you have a preference in how existing royalty incentives, including the Deep Well program, are managed during the transition process?	
1	No incentives/subsidizing industry, eliminate/recoup well credits
2	Must stop use of fossil fuels/cancel licenses
3	Industry must be held responsible for environmental damage/pay to restore environment
4	Move immediately/quickly to new framework
5	Use funds for/move to renewable energy/retrain workers
6	Framework that addresses impact on climate change and environment
7	Honour/transition existing credits/recognize investments/support economic sustainability
8	Increase royalty fees/rates
9	Gradual increase/grandparented but with a finite end date/time to adjust
10	Set date/yearly goals
11	Transparent change/must have oversight/independent management/non-political
77	Other

APPENDIX C: SURVEY DATA TABLES

Survey data table cross tabulations by region of residence or work, self-identification with interest groups.

Table C 1: Self-Identification of Survey Respondents by Region

Group	Mainland/ Southwest (n=337)		Vancouver Island/Coast (n=344)		Thompson - Okanagan (n=67)		Kootenay (n=58)	
	#	%	#	%	#	%	#	%
Member of the public	321	95%	326	95%	59	88%	53	91%
First Nation/Indigenous Person	5	2%	6	2%	4	6%	--	--
Non-Governmental Organization	2	1%	5	1%	1	2%	1	2%
Oil and Gas Company	--	--	--	--	--	--	--	--
Oil and Gas Industry Association	1	0%	1	0%	--	--	--	--
Local government	2	1%	2	1%	--	--	1	2%
Other/Community Organization	6	2%	3	1%	3	5%	2	3%
Prefer not to answer	--	--	1	0%	--	--	1	2%

Survey question 1: "What best describes how you are responding to this feedback form? I am responding on behalf of a/an:"
Respondent proportions may not add to 100% due to rounding. Values at 0% indicate less than 1% of respondents selected this option. – option not selected.

Table C 1: Self-Identification of Survey Respondents by Region Continued

Group	North Coast & Nechako (n=22)*		Northeast (n=46)		Cariboo (n=26)*		Out of Province (n=37)*	
	#	%	#	%	#	%	#	%
Member of the public	17	77%	30	65%	23	89%	25	68%
First Nation/Indigenous Person	1	5%	2	4%	1	4%	1	3%
Non-Governmental Organization	--	--	--	--	1	4%	1	3%
Oil and Gas Company	--	--	7	15%	--	--	10	27%
Oil and Gas Industry Association	1	5%	3	7%	--	--	--	--
Local government	--	--	2	4%	--	--	--	--
Other/Community Organization	3	14%	2	4%	1	4%	--	--
Prefer not to answer	--	--	--	--	--	--	--	--

Survey question 1: "What best describes how you are responding to this feedback form? I am responding on behalf of a/an:"
Respondent proportions may not add to 100% due to rounding. – option not selected. *Small base size, interpret with caution.

Table C 2: Agreement with Understanding of Oil and Gas Industry by Region

	Mainland/ Southwest (n=337)		Vancouver Island/Coast (n=344)		Thompson - Okanagan (n=67)		Kootenay (n=58)	
	#	%	#	%	#	%	#	%
Strongly Disagree	13	4%	4	1%	--	--	3	5%
Disagree	45	13%	42	12%	7	10%	7	12%
Neutral	115	34%	118	34%	29	43%	22	38%
Agree	118	35%	113	33%	17	25%	19	33%
Strongly Agree	42	13%	62	18%	13	19%	5	9%
Prefer not to answer	4	1%	5	1%	1	2%	2	3%

Survey question 3a: "What is your level of agreement with the following statements? I have a strong understanding of the Oil and Natural Gas Industry in B.C." Respondent proportions may not add to 100% due to rounding. – option not selected.

Table C 2: Agreement with Understanding of Oil and Gas Industry by Region Continued

	North Coast & Nechako (n=22)*		Northeast (n=46)		Cariboo (n=26)*		Out of Province (n=37)*	
	#	%	#	%	#	%	#	%
Strongly Disagree	--	--	1	2%	1	4%	--	--
Disagree	2	9%	1	2%	6	23%	--	--
Neutral	6	27%	6	13%	4	15%	7	19%
Agree	7	32%	11	24%	11	42%	10	27%
Strongly Agree	7	32%	27	59%	4	15%	20	54%
Prefer not to answer	--	--	--	--	--	--	--	--

Survey question 3a: "What is your level of agreement with the following statements? I have a strong understanding of the Oil and Natural Gas Industry in B.C." Respondent proportions may not add to 100% due to rounding. – option not selected. *Small base size, interpret with caution.

Table C 3: Agreement with Understanding of Oil and Gas Industry by Interest Group

	Member of the Public (n=854)		First Nation/ Indigenous Person (n=20)*	Non-Governmental Organization (n=11) *	Oil and Gas Company (n=17)*
	#	%			
Strongly Disagree	22	3%	0	0	0
Disagree	103	12%	3	1	0
Neutral	286	34%	7	2	0
Agree	287	34%	3	5	3
Strongly Agree	144	17%	7	3	14
Prefer not to answer	12	1%	0	0	0

Survey question 3a: "What is your level of agreement with the following statements? I have a strong understanding of the Oil and Natural Gas Industry in B.C." Multiple responses permitted. Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 3: Agreement with Understanding of Oil and Gas Industry by Interest Group Continued

	Oil and Gas Industry Association (n=6)*	Local government (n=7) *	Other/Community Organization (n=20)*
	#	#	#
Strongly Disagree	0	0	0
Disagree	1	0	2
Neutral	0	1	10
Agree	1	2	5
Strongly Agree	4	4	3
Prefer not to answer	0	0	0

Survey question 3a: "What is your level of agreement with the following statements? I have a strong understanding of the Oil and Natural Gas Industry in B.C." Multiple responses permitted. Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 4: Agreement with having a direct involvement in the Oil and Gas Industry in B.C. by Region

	Mainland/ Southwest (n=337)		Vancouver Island/Coast (n=344)		Thompson - Okanagan (n=67)		Kootenay (n=58)	
	#	%	#	%	#	%	#	%
Strongly Disagree	267	79%	265	77%	50	75%	34	59%
Disagree	28	8%	38	11%	6	9%	9	16%
Neutral	13	4%	15	4%	1	2%	3	5%
Agree	8	2%	6	2%	1	2%	2	3%
Strongly Agree	8	2%	7	2%	4	6%	2	3%
Prefer not to answer	13	4%	13	4%	5	8%	8	14%

Survey question 3b: "What is your level of agreement with the following statements? I have a direct involvement in the Oil and Natural Gas Industry in B.C." Respondent proportions may not add to 100% due to rounding. – option not selected.

Table C 4: Agreement with having a direct involvement in the Oil and Gas Industry in B.C. by Region Continued

	North Coast & Nechako (n=22)*		Northeast (n=46)		Cariboo (n=26)*		Out of Province (n=37)*	
	#	%	#	%	#	%	#	%
Strongly Disagree	16	73%	11	24%	16	62%	13	35%
Disagree	2	9%	5	11%	6	23%	2	5%
Neutral	1	5%	4	9%	--	--	4	11%
Agree	1	5%	2	4%	2	8%	1	3%
Strongly Agree	1	5%	24	52%	2	8%	17	46%
Prefer not to answer	1	5%	--	--	--	--	--	--

Survey question 3b: "What is your level of agreement with the following statements? I have a direct involvement in the Oil and Natural Gas Industry in B.C." Respondent proportions may not add to 100% due to rounding. – option not selected. *Small base size, interpret with caution.

Table C 5: Agreement with having a direct involvement in the Oil and Gas Industry in B.C. by Interest Group

	Member of the Public (n=854)		First Nation/ Indigenous Person (n=20)*	Non-Governmental Organization (n=11) *	Oil and Gas Company (n=17)*
	#	%	#	#	#
Strongly Disagree	632	74%	15	5	0
Disagree	88	10%	2	4	1
Neutral	35	4%	2	2	0
Agree	18	2%	1	0	1
Strongly Agree	46	5%	0	0	15
Prefer not to answer	35	4%	0	0	0

Survey question 3b: "What is your level of agreement with the following statements? I have a direct involvement in the Oil and Natural Gas Industry in B.C." Multiple responses permitted. Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 5: Agreement with having a direct involvement in the Oil and Gas Industry in B.C. by Interest Group Continued

	Oil and Gas Industry Association (n=6)*	Local government (n=7) *	Other/Community Organization (n=20)*
	#	#	#
Strongly Disagree	3	4	11
Disagree	0	1	0
Neutral	0	0	2
Agree	0	0	3
Strongly Agree	3	1	0
Prefer not to answer	0	1	4

Survey question 3b: "What is your level of agreement with the following statements? I have a direct involvement in the Oil and Natural Gas Industry in B.C." Multiple responses permitted. Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 6: Respondents' Agreement with Independent Assessment by Region

	Mainland/ Southwest (n=337)		Vancouver Island/Coast (n=344)		Thompson - Okanagan (n=67)		Kootenay (n=58)	
	#	%	#	%	#	%	#	%
Strongly Disagree	9	3%	6	2%	2	3%	--	--
Disagree	9	3%	4	1%	4	6%	3	5%
Neutral	14	4%	15	4%	6	9%	--	--
Agree	41	12%	24	7%	5	8%	4	7%
Strongly Agree	228	68%	254	74%	39	58%	44	76%
Prefer not to answer	31	9%	38	11%	11	16%	5	9%

Survey question 4: "The government-commissioned Independent Assessment (IA) concluded that the natural gas royalty framework is outdated and needs comprehensive reform. What is your level of agreement with the conclusion of the Independent Assessment?" Respondent proportions may not add to 100% due to rounding. – option not selected.

Table C 6: Respondents' Agreement with Independent Assessment by Region Continued

	North Coast & Nechako (n=22)*		Northeast (n=46)		Cariboo (n=26)*		Out of Province (n=37)*	
	#	%	#	%	#	%	#	%
Strongly Disagree	2	9%	6	13%	1	4%	2	5%
Disagree	--	--	4	9%	1	4%	2	5%
Neutral	2	9%	6	13%	2	8%	8	22%
Agree	1	5%	8	17%	3	12%	8	22%
Strongly Agree	14	64%	17	37%	14	54%	15	41%
Prefer not to answer	3	14%	5	11%	4	15%	2	5%

Survey question 4: "The government-commissioned Independent Assessment (IA) concluded that the natural gas royalty framework is outdated and needs comprehensive reform. What is your level of agreement with the conclusion of the Independent Assessment?" Respondent proportions may not add to 100% due to rounding. – option not selected. *Small base size, interpret with caution.

Table C 7: Respondents' Agreement with Independent Assessment by Interest Group

	Member of the Public (n=854)		First Nation/ Indigenous Person (n=20)*	Non-Governmental Organization (n=11) *	Oil and Gas Company (n=17)*
	#	%	#	#	#
Strongly Disagree	25	3%	2	0	1
Disagree	24	3%	1	1	1
Neutral	44	5%	0	1	6
Agree	81	10%	2	1	6
Strongly Agree	582	68%	11	8	3
Prefer not to answer	89	11%	4	0	0

Survey question 4: "The government-commissioned Independent Assessment (IA) concluded that the natural gas royalty framework is outdated and needs comprehensive reform. What is your level of agreement with the conclusion of the Independent Assessment?" Multiple responses permitted. Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 7: Respondents' Agreement with Independent Assessment by Interest Group Continued

	Oil and Gas Industry Association (n=6)*	Local government (n=7) *	Other/Community Organization (n=20)*
	#	#	#
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	2	0	0
Agree	1	1	2
Strongly Agree	1	3	15
Prefer not to answer	2	2	2

Survey question 4: "The government-commissioned Independent Assessment (IA) concluded that the natural gas royalty framework is outdated and needs comprehensive reform. What is your level of agreement with the conclusion of the Independent Assessment?" Multiple responses permitted. Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 8: Reasons for Agreement with Independent Assessment by Region

Reasons	Mainland/ Southwest (n=254)		Vancouver Island/Coast (n=262)		Thompson -Okanagan (n=50)		Kootenay (n=44)	
	#	%	#	%	#	%	#	%
Support for review/change, needs updating/reform, ineffective, too complex	120	47%	130	50%	19	38%	18	41%
New framework to account for impacts on environment	79	31%	69	26%	16	32%	19	43%
Royalty amounts too small/ need to be increased/ fair share to province/citizens	47	19%	58	22%	16	32%	13	30%
Reduce/eliminate subsidies/incentives	63	25%	57	22%	8	16%	9	21%
Reduce/eliminate production/dependence on fossil fuels	38	15%	31	12%	8	16%	5	11%
Oil and gas subsidies should be used elsewhere/invested in renewable energy	16	6%	25	10%	4	8%	6	14%
Framework should address reconciliation/include Indigenous Peoples	11	4%	10	4%	2	4%	4	9%
More transparency/monitoring/reduce mismanagement of resource	4	2%	6	2%	4	8%	2	5%
Government should not interfere/too many regulations	1	0%	5	2%	3	6%	--	--
Look at what other countries/provinces are doing	3	1%	5	2%	--	--	1	2%
Other	13	5%	11	4%	4	8%	2	5%

Survey question 4b: "Please tell us why you chose your level of agreement with the conclusion of the Independent Assessment." Respondent proportions may not add to 100% due to rounding. Excludes those who preferred not to answer. Values at 0% indicate less than 1% of respondents selected this option. -- option not selected.

Table C 8: Reasons for Agreement with Independent Assessment by Region Continued

Reasons	North Coast & Nechako (n=17)*		Northeast (n=34)*		Cariboo (n=18)*		Out of Province (n=28)*	
	#	%	#	%	#	%	#	%
Support for review/change, needs updating/reform, ineffective, too complex	8	47%	14	41%	5	28%	15	54%
New framework to account for impacts on environment	7	41%	5	15%	4	22%	8	29%

Reasons	North Coast & Nechako (n=17)*		Northeast (n=34)*		Cariboo (n=18)*		Out of Province (n=28)*	
	#	%	#	%	#	%	#	%
Royalty amounts too small/ need to be increased/fair share to province/citizens	3	18%	4	12%	5	28%	--	--
Reduce/eliminate subsidies/incentives	2	12%	3	9%	1	6%	2	7%
Reduce/eliminate production/dependence on fossil fuels	3	18%	--	--	1	6%	1	4%
Oil and gas subsidies should be used elsewhere/invested in renewable energy	--	--	--	--	--	--	1	4%
Framework should address reconciliation/include Indigenous Peoples	2	12%	1	3%	--	--	1	4%
More transparency/monitoring/reduce mismanagement of resource	--	--	2	6%	--	--	--	--
Government should not interfere/too many regulations	--	--	6	18%	1	6%	1	4%
Look at what other countries/provinces are doing	1	6%	--	--	--	--	1	4%
Other	1	6%	5	15%	6	33%	6	21%

Survey question 4b: "Please tell us why you chose your level of agreement with the conclusion of the Independent Assessment." Respondent proportions may not add to 100% due to rounding. -- option not selected. Excludes those who preferred not to answer. *Small base size, interpret with caution.

Table C 9: Reasons for Agreement with Independent Assessment by Interest Group

Reasons	Member of the Public (n=646)		First Nation/ Indigenous Person (n=13)*	Non-Governmental Organization (n=9)*	Oil and Gas Company (n=16)*
	#	%	#	#	#
Support for review/change, needs updating/reform, ineffective, too complex	302	47%	5	5	6
New framework to account for impacts on environment	189	29%	3	3	1
Royalty amounts too small/ need to be increased/fair share to province/citizens	138	21%	2	2	1
Reduce/eliminate subsidies/incentives	136	21%	3	2	0
Reduce/eliminate production/dependence on fossil fuels	81	13%	1	1	0

Reasons	Member of the Public (n=646)		First Nation/ Indigenous Person (n=13)*	Non-Governmental Organization (n=9)*	Oil and Gas Company (n=16)*
	#	%	#	#	#
Oil and gas subsidies should be used elsewhere/invested in renewable energy	48	7%	1	0	0
Framework should address reconciliation/include Indigenous Peoples	26	4%	2	1	0
More transparency/monitoring/ reduce mismanagement of resource	17	3%	1	0	0
Government should not interfere/too many regulations	13	2%	1	0	3
Look at what other countries/provinces are doing	10	2%	0	0	1
Other	41	6%	1	1	4

Survey question 4b: "Please tell us why you chose your level of agreement with the conclusion of the Independent Assessment." Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 9: Reasons for Agreement with Independent Assessment by Interest Group Continued

Reasons	Oil and Gas Industry Association (n=4)*	Local government (n=4) *	Other/Community Organization (n=13)*
	#	#	#
Support for review/change, needs updating/reform, ineffective, too complex	3	2	4
New framework to account for impacts on environment	0	1	9
Royalty amounts too small/ need to be increased/ fair share to province/citizens	0	0	2
Reduce/eliminate subsidies/incentives	1	1	2
Reduce/eliminate production/dependence on fossil fuels	0	2	2

Reasons	Oil and Gas Industry Association (n=4)*	Local government (n=4) *	Other/Community Organization (n=13)*
	#	#	#
Oil and gas subsidies should be used elsewhere/invested in renewable energy	0	1	1
Framework should address reconciliation/include Indigenous Peoples	0	0	2
More transparency/monitoring/ reduce mismanagement of resource	0	0	0
Government should not interfere/too many regulations	0	0	0
Look at what other countries/provinces are doing	0	0	0
Other	0	0	1

Survey question 4b: "Please tell us why you chose your level of agreement with the conclusion of the Independent Assessment." Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 10: Ranking of Importance of Overarching Goals of Royalty Review by Region

Goal	Mainland/ Southwest (n=337)			Vancouver Island/Coast (n=344)			Thompson-Okanagan (n=67)			Kootenay (n=58)		
	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd
Environmental protection	84%	5%	8%	84%	4%	9%	67%	8%	24%	78%	3%	14%
A fair return on our resource	7%	48%	32%	6%	52%	24%	13%	48%	24%	7%	59%	16%
Economic sustainability	7%	36%	46%	8%	28%	44%	19%	31%	33%	9%	24%	43%
Prefer not to answer	2%	11%	14%	3%	15%	23%	--	13%	19%	7%	14%	29%

Survey question 5: "The Discussion Paper describes balancing government's three overarching goals for the Royalty Review: economic development; a fair return on the public resource; and environmental protection. How would you rank these three goals in terms of importance?" Respondent proportions may not add to 100% due to rounding. – option not selected.

Table C 10: Ranking of Importance of Overarching Goals of Royalty Review by Region Continued

Goal	North Coast & Nechako (n=22)*			Northeast (n=46)			Cariboo (n=26)*			Out of Province (n=37)*		
	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd
Environmental protection	68%	14%	9%	24%	20%	50%	73%	12%	12%	41%	11%	38%
A fair return on our resource	9%	55%	18%	17%	54%	20%	8%	46%	39%	14%	51%	22%
Economic sustainability	14%	14%	50%	54%	17%	22%	19%	35%	35%	43%	24%	16%
Prefer not to answer	9%	18%	23%	4%	9%	9%	--	8%	15%	3%	14%	24%

Survey question 5: "The Discussion Paper describes balancing government's three overarching goals for the Royalty Review: economic development; a fair return on the public resource; and environmental protection. How would you rank these three goals in terms of importance?" Respondent proportions may not add to 100% due to rounding. -- option not selected. *Small base size, interpret with caution.

Table C 11: Ranking of Importance of Overarching Goals of Royalty Review by Interest Group

Goal	Member of the Public (n=854)			First Nation/ Indigenous Person (n=20)*			Non-Governmental Organization (n=11)*			Oil and Gas Company (n=17)*		
	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd
Environmental protection	✓			✓			✓					✓
A fair return on our resource		✓			✓			✓			✓	
Economic sustainability			✓			✓			✓	✓		

Survey question 5: "The Discussion Paper describes balancing government's three overarching goals for the Royalty Review: economic development; a fair return on the public resource; and environmental protection. How would you rank these three goals in terms of importance?" Multiple responses permitted. Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 11: Ranking of Importance of Overarching Goals of Royalty Review by Interest Group Continued

Goal	Oil and Gas Industry Association (n=6)*			Local government (n=7)*			Other/Community Organization (n=20)*		
	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd
Environmental protection			✓	✓			✓		
A fair return on our resource		✓			✓			✓	
Economic sustainability	✓					✓			✓

Survey question 5: "The Discussion Paper describes balancing government's three overarching goals for the Royalty Review: economic development; a fair return on the public resource; and environmental protection. How would you rank these three goals in terms of importance?" Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 12: Reasons for Order of Importance of Overarching Goals by Region

Reasons	Mainland / Southwest (n=287)		Vancouver Island / Coast (n=294)		Thompson -Okanagan (n=59)		Kootenay (n=49)	
	#	%	#	%	#	%	#	%
Environmental protection must be considered above all other factors	164	57%	153	52%	28	48%	31	63%
Climate change is biggest issue	58	20%	47	16%	5	9%	3	6%
Fossil fuel extraction responsible for climate change/destroying environment	23	8%	33	11%	6	10%	6	12%
Framework to address/make industry more accountable for environmental impacts	23	8%	36	12%	5	9%	3	6%
Reduce/eliminate production/dependence on fossil fuels	27	9%	22	8%	4	7%	2	4%
Fossil fuel extraction/industry not sustainable	19	7%	22	8%	5	9%	4	8%
Focus on renewable energy	23	8%	20	7%	2	3%	2	4%
Gas is necessary/important resource	12	4%	14	5%	8	14%	1	2%
Economic sustainability balanced with private profit, social benefit, environmental sustainability	10	4%	17	6%	3	5%	4	8%
Industry to pay more for extraction/fairer return to public for resource	10	4%	16	5%	4	7%	4	8%
No capital recovery/subsidy/incentives/industry must bear costs	6	2%	12	4%	3	5%	6	12%
Must have a sustainable/strong economy	2	1%	11	4%	2	3%	2	4%
Must involve First Nations/respect Indigenous rights	8	3%	8	3%	3	5%	1	2%
Industry under pressure/change will cause investors to lose confidence/leave B.C.	6	2%	3	1%	5	9%	--	--
Other	8	3%	12	4%	2	3%	1	2%

Survey question 5b: "Please tell us the reason you chose this order of importance for the overarching goals." Respondent proportions may not add to 100% due to rounding. Excludes those who preferred not to answer. -- option not selected.

Table C 12: Reasons for Order of Importance of Overarching Goals by Region Continued

Reasons	North Coast & Nechako (n=18)*		Northeast (n=36)*		Cariboo (n=23)*		Out of Province (n=28)*	
	#	%	#	%	#	%	#	%
Environmental protection must be considered above all other factors	11	61%	7	19%	10	44%	9	32%
Climate change is biggest issue	1	6%	--	--	1	4%	4	14%
Fossil fuel extraction responsible for climate change/destroying environment	1	6%	3	8%	1	4%	--	--
Framework to address/make industry more accountable for environmental impacts	1	6%	2	6%	2	9%	3	11%
Reduce/eliminate production/dependence on fossil fuels	1	6%	2	6%	2	9%	2	7%
Fossil fuel extraction/industry not sustainable	--	--	1	3%	3	13%	--	--
Focus on renewable energy	1	6%	1	3%	1	4%	1	4%
Gas is necessary/important resource	2	11%	4	11%	4	17%	2	7%
Economic sustainability balanced with private profit, social benefit, environmental sustainability	1	6%	7	19%	1	4%	2	7%
Industry to pay more for extraction/fairer return to public for resource	--	--	4	11%	2	9%	4	14%
No capital recovery/subsidy/incentives/industry must bear costs	1	6%	1	3%	2	9%	--	--
Must have a sustainable/strong economy	--	--	10	28%	1	4%	4	14%
Must involve First Nations/respect Indigenous rights	1	6%	1	3%	--	--	2	7%
Industry under pressure/change will cause investors to lose confidence/leave B.C.	--	--	--	--	1	4%	3	11%
Other	1	6%	--	--	--	--	1	4%

Survey question 5b: "Please tell us the reason you chose this order of importance for the overarching goals." Respondent proportions may not add to 100% due to rounding. -- option not selected. Excludes those who preferred not to answer. *Small base size, interpret with caution.

Table C 13: Reasons for Order of Importance of Overarching Goals by Interest Group

Reasons	Member of the Public (n=725)		First Nation/ Indigenous Person (n=17)*	Non-Governmental Organization (n=9) *	Oil and Gas Company (n=13)*
	#	%	#	#	#
Environmental protection must be considered above all other factors	379	52%	11	4	6
Climate change is biggest issue	112	15%	1	2	1
Fossil fuel extraction responsible for climate change/destroying environment	70	10%	0	1	1
Framework to address/make industry more accountable for environmental impacts	68	9%	3	0	0
Reduce/eliminate production/dependence on fossil fuels	57	8%	2	1	0
Fossil fuel extraction/industry not sustainable	49	7%	1	2	1
Focus on renewable energy	48	7%	1	1	0
Gas is necessary/important resource	40	6%	5	0	0
Economic sustainability balanced with private profit, social benefit, environmental sustainability	39	5%	0	2	0
Industry to pay more for extraction/fairer return to public for resource	38	5%	1	0	0
No capital recovery/subsidy/incentives/industry must bear costs	26	4%	0	0	2
Must have a sustainable/strong economy	27	4%	0	0	3
Must involve First Nations/ respect Indigenous rights	21	3%	2	0	1
Industry under pressure/change will cause	15	2%	1	1	3

Reasons	Member of the Public (n=725)		First Nation/ Indigenous Person (n=17)*	Non-Governmental Organization (n=9) *	Oil and Gas Company (n=13)*
	#	%	#	#	#
investors to lose confidence/leave B.C.					
Other	24	3%	0	0	0

Survey question 5b: "Please tell us the reason you chose this order of importance for the overarching goals." Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 13: Reasons for Order of Importance of Overarching Goals by Interest Group Continued

Reasons	Oil and Gas Industry Association (n=5)*	Local government (n=6) *	Other/Community Organization (n=17)*
	#	#	#
Environmental protection must be considered above all other factors	2	2	4
Climate change is biggest issue	0	0	9
Fossil fuel extraction responsible for climate change/destroying environment	0	0	2
Framework to address/make industry more accountable for environmental impacts	2	0	2
Reduce/eliminate production/dependence on fossil fuels	0	1	12
Fossil fuel extraction/industry not sustainable	0	1	4
Focus on renewable energy	0	1	2
Gas is necessary/important resource	0	1	1
Economic sustainability balanced with private profit, social benefit, environmental sustainability	1	1	1

Reasons	Oil and Gas Industry Association (n=5)*	Local government (n=6) *	Other/Community Organization (n=17)*
	#	#	#
Industry to pay more for extraction/fairer return to public for resource	2	0	1
No capital recovery/subsidy/incentives/industry must bear costs	0	2	0
Must have a sustainable/strong economy	1	0	1
Must involve First Nations/respect Indigenous rights	0	0	0
Industry under pressure/change will cause investors to lose confidence/leave B.C.	0	0	0
Other	0	0	2

Survey question 5b: "Please tell us the reason you chose this order of importance for the overarching goals." Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 14: Ranking of Preferred Alternative Royalty Structures by Region

Structure	Mainland/Southwest (n=337)			Vancouver Island/Coast (n=344)			Thompson-Okanagan (n=67)			Kootenay (n=58)		
	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd
Flat rate with no capital recovery	47%	13%	17%	44%	8%	19%	33%	9%	30%	28%	16%	16%
Flat rate with capital recovery	12%	36%	18%	10%	33%	17%	15%	37%	12%	16%	19%	12%
Royalty linked to economic value	23%	16%	29%	22%	17%	20%	28%	15%	19%	21%	14%	17%
Prefer not to answer	19%	35%	37%	25%	43%	44%	24%	39%	39%	36%	52%	55%

Survey question 6: "The Discussion Paper describes three alternative royalty structures: flat rate royalty based on production – no capital recovery mechanism; flat rate royalty based on production – with capital recovery mechanism; royalty linked to economic value (revenue minus cost-(RMC)). How would you rank these three structures in terms of preference?" Respondent proportions may not add to 100% due to rounding.

Table C 14: Ranking of Preferred Alternative Royalty Structures by Region Continued

Structure	North Coast & Nechako (n=22)*			Northeast (n=46)			Cariboo (n=26)*			Out of Province (n=37)*		
	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd
Flat rate with no capital recovery	46%	14%	14%	24%	20%	35%	42%	12%	23%	27%	8%	51%
Flat rate with capital recovery	9%	27%	27%	26%	37%	15%	23%	50%	8%	3%	49%	16%
Royalty linked to economic value	18%	23%	23%	37%	24%	24%	31%	12%	42%	62%	11%	--
Prefer not to answer	27%	36%	36%	13%	20%	26%	4%	27%	27%	8%	32%	32%

Survey question 6: "The Discussion Paper describes three alternative royalty structures: flat rate royalty based on production – no capital recovery mechanism; flat rate royalty based on production – with capital recovery mechanism; royalty linked to economic value (revenue minus cost-(RMC)). How would you rank these three structures in terms of preference?" Respondent proportions may not add to 100% due to rounding. – option not selected. *Small base size, interpret with caution.

Table C 15: Ranking of Preferred Alternative Royalty Structures by Interest Group

Structure	Member of the Public (n=854)			First Nation/ Indigenous Person (n=20)*			Non-Governmental Organization (n=11) *			Oil and Gas Company (n=17)*		
	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd
Flat rate with no capital recovery	✓					✓	✓		✓			✓
Flat rate with capital recovery		✓			✓			✓			✓	
Royalty linked to economic value			✓	✓					✓	✓		

Survey question 6: "The Discussion Paper describes three alternative royalty structures: flat rate royalty based on production – no capital recovery mechanism; flat rate royalty based on production – with capital recovery mechanism; royalty linked to economic value (revenue minus cost-(RMC)). How would you rank these three structures in terms of preference?" Multiple responses permitted. Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 15: Ranking of Preferred Alternative Royalty Structures by Interest Group Continued

Structure	Oil and Gas Industry Association (n=6)*			Local government (n=7) *			Other/Community Organization (n=20)*		
	1st	2nd	3rd	1st	2nd	3rd	1st	2nd	3rd
Flat rate with no capital recovery	✓	✓		✓		✓	✓		
Flat rate with capital recovery	✓		✓	✓	✓			✓	
Royalty linked to economic value			✓						✓

Survey question 6: "The Discussion Paper describes three alternative royalty structures: flat rate royalty based on production – no capital recovery mechanism; flat rate royalty based on production – with capital recovery mechanism; royalty linked to economic value (revenue minus cost-(RMC)). How would you rank these three structures in terms of preference?" Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 16: Reasons for Selection of Proposed Alternative Royalty Structures by Region

Reasons	Mainland/ Southwest (n=187)		Vancouver Island/Coast (n=198)		Thompson -Okanagan (n=39)*		Kootenay (n=26)*	
	#	%	#	%	#	%	#	%
No capital recovery/subsidy/profit incentives	55	29%	59	30%	7	18%	7	27%
Option 1 most transparent/easy to understand/administer	25	13%	34	17%	5	13%	4	15%
Increase rates/tax surcharge to reflect environmental and social impacts	35	19%	23	12%	8	21%	3	12%
RMC is efficient, equitable, offers ROI	27	14%	22	11%	7	18%	3	12%
Need best/highest return/least risk for BC/citizens	22	12%	25	13%	2	5%	4	15%
No fossil fuel production/reduce/limit growth of industry	18	10%	21	11%	1	3%	1	4%
Option 1 ensures/expedites transition from fossil fuel energy	20	11%	15	8%	2	5%	3	12%
Capital recovery increases production and royalties	10	5%	12	6%	6	15%	2	8%
None of the options are good/do not agree with/like options	7	4%	8	4%	2	5%	1	4%
Align approach based on what other countries/provinces are doing	6	3%	5	3%	1	3%	1	4%
New framework requires oversight/transparency	4	2%	7	4%	2	5%	--	--
Change will cause investors to lose confidence/leave B.C.	1	1%	4	2%	1	3%	2	8%
Other	9	5%	12	6%	4	10%	1	4%

Survey question 6b: "Please tell us the reason you chose this order for alternative royalty structures." Multiple responses permitted. Respondent proportions may not add to 100% due to rounding. Excludes those who preferred not to answer. – option not selected. *Small base size, interpret with caution.

Table C 16: Reasons for Selection of Proposed Alternative Royalty Structures by Region Continued

Reasons	North Coast & Nechako (n=12)*		Northeast (n=26)*		Cariboo (n=18)*		Out of Province (n=24)*	
	#	%	#	%	#	%	#	%
No capital recovery/subsidy/profit incentives	4	33%	4	15%	5	28%	2	8%
Option 1 most transparent/easy to understand/administer	1	8%	3	12%	5	28%	3	13%
Increase rates/tax surcharge to reflect environmental and social impacts	3	25%	2	8%	1	6%	3	13%

Reasons	North Coast & Nechako (n=12)*		Northeast (n=26)*		Cariboo (n=18)*		Out of Province (n=24)*	
	#	%	#	%	#	%	#	%
RMC is efficient, equitable, offers ROI	--	--	5	19%	2	11%	11	46%
Need best/highest return/least risk for BC/citizens	4	33%	1	4%	1	6%	3	13%
No fossil fuel production/reduce/limit growth of industry	1	8%	2	8%	4	22%	1	4%
Option 1 ensures/expedites transition from fossil fuel energy	1	8%	--	--	1	6%	--	--
Capital recovery increases production and royalties	1	8%	7	27%	2	11%	--	--
None of the options are good/do not agree with/like options	--	--	2	8%	1	6%	1	4%
Align approach based on what other countries/provinces are doing	--	--	2	8%	--	--	3	13%
New framework requires oversight/transparency	1	8%	1	4%	--	--	1	4%
Change will cause investors to lose confidence/leave B.C.	--	--	3	12%	--	--	1	4%
Other	1	8%	1	4%	1	6%	--	--

Survey question 6b: "Please tell us the reason you chose this order for alternative royalty structures." Multiple responses permitted. Respondent proportions may not add to 100% due to rounding. Values at 0% indicate less than 1% of respondents selected this option. -- option not selected. Excludes those who preferred not to answer. *Small base size, interpret with caution.

Table C 17: Reasons for Selection of Proposed Alternative Royalty Structures by Interest Group

Reasons	Member of the Public (n=646)		First Nation/ Indigenous Person (n=13)*	Non-Governmental Organization (n=5)*	Oil and Gas Company (n=12)*
	#	%			
No capital recovery/ subsidy/profit incentives	131	27%	4	0	1
Option 1 most transparent/easy to understand/administer	72	15%	1	2	1
Increase rates/tax surcharge to reflect environmental and social impacts	71	15%	2	0	1
RMC is efficient, equitable, offers ROI	68	14%	1	1	6

Reasons	Member of the Public (n=646)		First Nation/ Indigenous Person (n=13)*	Non-Governmental Organization (n=5)*	Oil and Gas Company (n=12)*
	#	%	#	#	#
Need best/highest return/least risk for B.C./citizens	54	11%	1	1	1
No fossil fuel production/ reduce/limit growth of industry	44	9%	1	1	1
Option 1 ensures/expedites transition from fossil fuel energy	40	8%	0	1	0
Capital recovery increases production and royalties	35	7%	2	0	0
None of the options are good/do not agree with/like options	21	4%	0	0	1
Align approach based on what other countries/provinces are doing	12	3%	1	1	2
New framework requires oversight/transparency	13	3%	2	0	1
Change will cause investors to lose confidence/leave B.C.	10	2%	0	0	1
Other	25	5%	2	0	0

Survey question 6b: "Please tell us the reason you chose this order for alternative royalty structures." Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 17: Reasons for Selection of Proposed Alternative Royalty Structures by Interest Group
Continued

Reasons	Oil and Gas Industry Association (n=5)*	Local government (n=3) *	Other/Community Organization (n=13)*
	#	#	#
No capital recovery/ subsidy/profit incentives	1	3	2
Option 1 most transparent/easy to understand/administer	1	0	3
Increase rates/tax surcharge to reflect	0	0	4

Reasons	Oil and Gas Industry Association (n=5)*	Local government (n=3) *	Other/Community Organization (n=13)*
	#	#	#
environmental and social impacts			
RMC is efficient, equitable, offers ROI	0	0	1
Need best/highest return/least risk for B.C./citizens	1	1	2
No fossil fuel production/ reduce/limit growth of industry	0	0	2
Option 1 ensures/expedites transition from fossil fuel energy	0	0	1
Capital recovery increases production and royalties	3	0	0
None of the options are good/do not agree with/like options	0	0	0
Align approach based on what other countries/provinces are doing	2	0	0
New framework requires oversight/transparency	0	0	0
Change will cause investors to lose confidence/leave B.C.	0	0	1
Other	0	0	2

Survey question 6b: "Please tell us the reason you chose this order for alternative royalty structures." Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 18: Is There Another Structure to Suggest by Region

	Mainland/ Southwest (n=337)		Vancouver Island/ Coast (n=344)		Thompson - Okanagan (n=67)		Kootenay (n=58)	
	#	%	#	%	#	%	#	%
Yes	131	39%	153	44%	29	43%	21	36%
No	167	50%	157	46%	35	52%	26	45%
Prefer not to answer	39	12%	34	10%	3	5%	11	19%

Survey question 7: "Is there another structure you would suggest to government?" Respondent proportions may not add to 100% due to rounding.

Table C 18: Is There Another Structure to Suggest by Region Continued

	North Coast & Nechako (n=22)*		Northeast (n=46)		Cariboo (n=26)*		Out of Province (n=37)*	
	#	%	#	%	#	%	#	%
Yes	9	41%	10	22%	11	42%	8	22%
No	11	50%	33	72%	14	54%	26	70%
Prefer not to answer	2	9%	3	7%	1	4%	3	8%

Survey question 7: "Is there another structure you would suggest to government?" Respondent proportions may not add to 100% due to rounding. *Small base size, interpret with caution.

Table C 19: Is There Another Structure to Suggest by Interest Group

	Member of the Public (n=854)		First Nation/ Indigenous Person (n=20)*	Non-Governmental Organization (n=11) *	Oil and Gas Company (n=17)*
	#	%	#	#	#
Yes	341	40%	9	5	3
No	421	49%	11	4	13
Prefer not to answer	92	11%	0	5	1

Survey question 7: "Is there another structure you would suggest to government?" Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 19: Is There Another Structure to Suggest by Interest Group Continued

	Oil and Gas Industry Association (n=6)*	Local government (n=7) *	Other/Community Organization (n=20)*
	#	#	#
Yes	0	3	10
No	6	4	9
Prefer not to answer	0	0	1

Survey question 7: "Is there another structure you would suggest to government?" Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 20: Alternative Structures Suggested to Government by Region

Suggestions	Mainland / Southwest (n=143)		Vancouver Island / Coast (n=170)		Thompson -Okanagan (n=36)*		Kootenay (n=22)*	
	#	%	#	%	#	%	#	%
No capital recovery/subsidy/profit incentives/grandparenting/industry must bear costs	39	27%	42	25%	5	14%	8	36%
Reduce/limit growth/make it unfeasible/unsustainable to extract resource	39	27%	43	25%	6	17%	4	18%
Increase rates/tax higher to reflect true costs of production (environmental and social costs)	27	19%	26	15%	7	19%	3	14%

Suggestions	Mainland / Southwest (n=143)		Vancouver Island / Coast (n=170)		Thompson -Okanagan (n=36)*		Kootenay (n=22)*	
	#	%	#	%	#	%	#	%
Need to act now/ transition now	12	8%	25	15%	6	17%	1	5%
Focus on renewable energy/royalties directed to renewable energy/incentives to switch/become more sustainable	12	8%	18	11%	5	14%	5	23%
Regulatory approach/penalty for not complying/nationalize industry	10	7%	17	10%	2	6%	5	23%
Create fund/higher bonds dedicated to cleanup, decommissioning of wells, environmental restoration	11	8%	11	7%	1	3%	5	23%
Use framework as tool for climate action/environmental protection	4	3%	9	5%	4	11%	1	5%
Companies should be allowed grandparenting/industry needs time to adjust	2	1%	5	3%	5	14%	1	5%
Tax based model	6	4%	8	5%	--	--	--	--
Flat rate plus variable rate	2	1%	3	2%	1	3%	1	5%
Royalty system developed in partnership with Indigenous peoples	2	1%	6	4%	3	8%	--	--
Look at frameworks in other countries/provinces	2	1%	4	2%	1	3%	--	--
Other	7	5%	7	4%	1	3%	--	--

Survey question 7b: "Please describe this alternative structure you would suggest to government." Multiple responses permitted. Respondent proportions may not add to 100% due to rounding. Excludes those who preferred not to answer. – option not selected. *Small base size, interpret with caution.

Table C 20: Alternative Structures Suggested to Government by Region Continued

Suggestions	North Coast & Nechako (n=9)*	Northeast (n=11)*	Cariboo (n=14)*	Out of Province (n=12)*
	#	#	#	#
No capital recovery/ subsidy/ profit incentives/grandparenting/industry must bear costs	3	1	4	3
Reduce/limit growth/make it unfeasible/unsustainable to extract resource	2	1	2	0
Increase rates/tax higher to reflect true costs of production (environmental and social costs)	2	1	2	5
Need to act now/ transition now	1	2	0	4

Suggestions	North Coast & Nechako (n=9)*	Northeast (n=11)*	Cariboo (n=14)*	Out of Province (n=12)*
	#	#	#	#
Focus on renewable energy/royalties directed to renewable energy/incentives to switch/become more sustainable	1	1	1	0
Regulatory approach/penalty for not complying/nationalize industry	0	0	0	1
Create fund/higher bonds dedicated to cleanup, decommissioning of wells, environmental restoration	2	0	0	3
Use framework as tool for climate action/environmental protection	1	0	1	1
Companies should be allowed grandparenting/industry needs time to adjust	0	1	1	1
Tax based model	1	0	0	0
Flat rate plus variable rate	2	2	0	0
Royalty system developed in partnership with Indigenous peoples	0	1	1	1
Look at frameworks in other countries/provinces	0	0	0	0
Other	0	5	5	0

Survey question 7b: "Please describe this alternative structure you would suggest to government." Multiple responses permitted. Respondent proportions may not add to 100% due to rounding. Values at 0% indicate less than 1% of respondents selected this option. – option not selected. Excludes those who preferred not to answer. * Note base sizes too small to report proportions.

Table C 21: Alternative Structures Suggested to Government by Interest Group

Suggestions	Member of the Public (n=385)		First Nation/ Indigenous Person (n=8)*	Non-Governmental Organization (n=6) *	Oil and Gas Company (n=4)*
	#	%	#	#	#
No capital recovery/ subsidy/profit incentives/grandparenting/ industry must bear costs	90	23%	3	3	0
Reduce/limit growth/make it unfeasible/unsustainable to extract resource	96	25%	0	1	0
Increase rates/tax higher to reflect true costs of	69	18%	0	1	1

Suggestions	Member of the Public (n=385)		First Nation/ Indigenous Person (n=8)*	Non-Governmental Organization (n=6)*	Oil and Gas Company (n=4)*
	#	%	#	#	#
production (environmental and social costs)					
Need to act now/transition now	50	13%	1	0	0
Focus on renewable energy/ royalties directed to renewable energy/incentives to switch/become more sustainable	41	11%	0	0	0
Regulatory approach/penalty for not complying/nationalize industry	33	9%	0	1	0
Create fund/higher bonds dedicated to cleanup, decommissioning of wells, environmental restoration	32	8%	0	0	0
Use framework as tool for climate action/environmental protection	19	5%	0	0	1
Companies should be allowed grandparenting/industry needs time to adjust	15	4%	1	0	0
Tax based model	15	4%	0	0	0
Flat rate plus variable rate	7	2%	1	1	1
Royalty system developed in partnership with Indigenous peoples	11	3%	1	0	0
Look at frameworks in other countries/provinces	7	2%	0	0	0
Other	21	6%	1	0	1

Survey question 7b: "Please describe this alternative structure you would suggest to government." Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 21: Alternative Structures Suggested to Government by Interest Group Continued

Suggestions	Oil and Gas Industry Association (n=0)*	Local government (n=5) *	Other/Community Organization (n=93)*
	#	#	#
No capital recovery/ subsidy/ profit incentives/grandparenting/ industry must bear costs	--	3	6
Reduce/limit growth/make it unfeasible/unsustainable to extract resource	--	0	0
Increase rates/tax higher to reflect true costs of production (environmental and social costs)	--	0	2
Need to act now/ transition now	--	0	0
Focus on renewable energy/ royalties directed to renewable energy/incentives to switch/become more sustainable	--	0	2
Regulatory approach/penalty for not complying/nationalize industry	--	1	0
Create fund/higher bonds dedicated to clean up, decommissioning of wells, environmental restoration	--	1	0
Use framework as tool for climate action/environmental protection	--	0	1
Companies should be allowed grandparenting/industry needs time to adjust	--	0	0
Tax based model	--	0	0
Flat rate plus variable rate	--	0	1

Suggestions	Oil and Gas Industry Association (n=0)*	Local government (n=5) *	Other/Community Organization (n=93)*
	#	#	#
Royalty system developed in partnership with Indigenous peoples	--	0	2
Look at frameworks in other countries/provinces	--	0	0
Other	--	1	1

Survey question: 7b. Please describe this alternative structure you would suggest to government. Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 22: Agreement for a Gradual Approach with Extended Grandparenting by Region

	Mainland / Southwest (n=337)		Vancouver Island / Coast (n=344)		Thompson - Okanagan (n=67)		Kootenay (n=58)	
	#	%	#	%	#	%	#	%
Strongly disagree	205	61%	200	58%	31	46%	41	71%
Disagree	65	19%	56	16%	12	18%	3	5%
Neutral	18	5%	24	7%	3	5%	--	--
Agree	13	4%	15	4%	5	8%	3	5%
Strongly Agree	17	5%	20	6%	10	15%	5	9%
Prefer not to answer	19	6%	29	9%	6	9%	6	10%

Survey question: 8A. The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandparented for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with Option 1, gradual approach with extended grandparenting? Respondent proportions may not add to 100% due to rounding. – option not selected.

Table C 22: Agreement for a Gradual Approach with Extended Grandparenting by Region Continued

	North Coast & Nechako (n=22)*		Northeast (n=46)		Cariboo (n=26)*		Out of Province (n=37)*	
	#	%	#	%	#	%	#	%
Strongly disagree	6	27%	9	20%	10	39%	15	41%
Disagree	6	27%	6	13%	8	31%	3	8%
Neutral	5	23%	4	9%	3	12%	3	8%
Agree	1	5%	10	22%	--	--	5	14%
Strongly Agree	--	--	15	33%	3	12%	10	27%
Prefer not to answer	4	18%	2	4%	2	8%	1	3%

Survey question: 8A. The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandparented for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with Option 1, gradual approach with extended grandparenting? Respondent proportions may not add to 100% due to rounding. – option not selected. *Small base size, interpret with caution.

Table C 23: Agreement for a Gradual Approach with Extended Grandparenting by Interest Group

	Member of the Public (n=854)		First Nation/ Indigenous Person (n=20)*	Non-Governmental Organization (n=11) *	Oil and Gas Company (n=17)*
	#	%	#	#	#
Strongly disagree	482	56%	7	7	1
Disagree	146	17%	4	2	1
Neutral	52	6%	2	1	3
Agree	40	5%	3	0	6
Strongly Agree	69	8%	3	0	5
Prefer not to answer	65	8%	1	1	1

Survey question: 8A. The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandparented for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with Option 1, gradual approach with extended grandparenting? Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

**Table C 23: Agreement for a Gradual Approach with Extended Grandparenting by Interest Group
Continued**

	Oil and Gas Industry Association (n=6)*	Local government (n=7) *	Other/Community Organization (n=20)*
	#	#	#
Strongly disagree	1	3	14
Disagree	2	2	2
Neutral	1	0	1
Agree	1	1	1
Strongly Agree	1	1	1
Prefer not to answer	0	0	1

Survey question: 8A. The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandparented for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with Option 1, gradual approach with extended grandparenting? Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 24: Agreement for a Set Date with Adjustments to Account for Differences by Region

	Mainland / Southwest (n=337)		Vancouver Island / Coast (n=344)		Thompson - Okanagan (n=67)		Kootenay (n=58)	
	#	%	#	%	#	%	#	%
Strongly disagree	24	7%	29	9%	9	13%	7	12%
Disagree	18	5%	13	4%	6	9%	2	3%
Neutral	19	6%	28	8%	6	9%	6	10%
Agree	75	22%	70	20%	12	18%	15	26%
Strongly Agree	181	54%	178	52%	29	43%	25	43%
Prefer not to answer	20	6%	26	7%	5	8%	3	5%

Survey question: 8B. The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandfathered for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with option 2? Respondent proportions may not add to 100% due to rounding. – option not selected.

Table C 24: Agreement for a Set Date with Adjustments to Account for Differences by Region
Continued

	North Coast & Nechako (n=22)*		Northeast (n=46)		Cariboo (n=26)*		Out of Province (n=37)*	
	#	%	#	%	#	%	#	%
Strongly disagree	--	--	12	26%	4	15%	8	22%
Disagree	2	9%	10	22%	--	--	7	19%
Neutral	3	14%	10	22%	5	19%	2	5%
Agree	2	9%	5	11%	7	27%	4	11%
Strongly Agree	11	50%	7	15%	9	35%	14	38%
Prefer not to answer	4	18%	2	4%	1	4%	2	5%

Survey question: 8B. The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandfathered for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with option 2? Respondent proportions may not add to 100% due to rounding. – option not selected. *Small base size, interpret with caution.

Table C 25: Agreement for a Set Date with Adjustments to Account for Differences by Interest Group

	Member of the Public (n=854)		First Nation/ Indigenous Person (n=20)*	Non-Governmental Organization (n=11) *	Oil and Gas Company (n=17)*
	#	%	#	#	#
Strongly disagree	83	10%	3	0	3
Disagree	44	5%	3	0	6
Neutral	67	8%	3	1	3
Agree	178	21%	3	4	0
Strongly Agree	423	50%	7	5	3
Prefer not to answer	59	7%	1	1	2

Survey question: 8B. The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandfathered for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with option 2? Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 25: Agreement for a Set Date with Adjustments to Account for Differences by Interest Group
Continued

	Oil and Gas Industry Association (n=6)*	Local government (n=7) *	Other/Community Organization (n=20)*
	#	#	#
Strongly disagree	0	1	3

	Oil and Gas Industry Association (n=6)*	Local government (n=7) *	Other/Community Organization (n=20)*
	#	#	#
Disagree	2	1	2
Neutral	1	1	3
Agree	0	1	4
Strongly Agree	3	3	8
Prefer not to answer	0	0	0

Survey question: 8B. The Discussion Paper describes two options for transitioning from the existing framework to a new royalty framework: 1, a gradual approach where existing investments are grandfathered for a period of five or more years; or 2, a quicker approach where all existing investments are moved to the new framework at a set date, with specific adjustments to account for differences between the frameworks. What is your level of agreement with option 2? Numbers might not add to 100% due to rounding. *Note base sizes too small to report proportions.

Table C 26: Reasons for Agreement with Options for Transitioning to a New Royalty Structure by Region

Reason	Mainland / Southwest (n=243)		Vancouver Island / Coast (n=265)		Thompson -Okanagan (n=47)		Kootenay (n=47)	
	#	%	#	%	#	%	#	%
Transition should happen sooner/companies should pay more sooner	134	55%	153	58%	25	53%	27	57%
Must stop/ slow use of fossil fuels	38	16%	39	15%	6	13%	10	21%
Stop supporting/subsidizing oil & gas industry	29	12%	25	9%	4	9%	5	11%
No grandfathering/makes situation worse/creates two systems	22	9%	18	7%	4	9%	10	21%
Gradual approach fairer/easier/ less disruptive for industry/ industry needs time to adjust	13	5%	14	5%	4	9%	2	4%
Allow industry to protect investments/keep industry sustainable/incentives to transition/grandparenting with time limit	6	3%	11	4%	6	13%	4	9%
Rapid transition will slow environmental degradation	20	8%	18	7%	1	2%	2	4%
Gradual approach allows industry to delay changing/drag heels/not change	11	5%	16	6%	2	4%	1	2%
Set timeline is fairer/clearer/transparent	8	3%	10	4%	1	2%	--	--
Neither approach good/is best	5	2%	6	2%	1	2%	2	4%

Reason	Mainland / Southwest (n=243)		Vancouver Island / Coast (n=265)		Thompson -Okanagan (n=47)		Kootenay (n=47)	
	#	%	#	%	#	%	#	%
Adequately compensate for use of public resource/ must be best for public/environment	6	3%	6	2%	3	6%	--	--
Other	7	3%	8	3%	1	2%	1	2%

Survey question: 8c. Please tell us why you chose your level of agreement with the two options. Multiple responses permitted. Respondent proportions may not add to 100% due to rounding. Excludes those who preferred not to answer. -- option not selected.

Table C 26: Reasons for Agreement with Options for Transitioning to a New Royalty Structure by Region Continued

Reason	North Coast & Nechako (n=14)*		Northeast (n=31)*		Cariboo (n=21)*		Out of Province (n=26)*	
	#	%	#	%	#	%	#	%
Transition should happen sooner/companies should pay more sooner	7	50%	7	23%	8	38%	11	42%
Must stop/ slow use of fossil fuels	4	29%	--	--	1	5%	1	4%
Stop supporting/subsidizing oil & gas industry	--	--	--	--	2	10%	2	8%
No grandparenting/makes situation worse/creates two systems	--	--	--	--	2	10%	1	4%
Gradual approach fairer/easier/ less disruptive for industry/ industry needs time to adjust	--	--	7	23%	2	10%	4	15%
Allow industry to protect investments/keep industry sustainable/incentives to transition/grandparenting with time limit	--	--	10	32%	--	--	9	35%
Rapid transition will slow environmental degradation	1	7%	--	--	1	5%	1	4%
Gradual approach allows industry to delay changing/drag heels/not change	1	7%	2	7%	--	--	1	4%
Set timeline is fairer/clearer/transparent	1	7%	4	13%	1	5%	1	4%
Neither approach good/is best	2	14%	--	--	3	14%	--	--
Adequately compensate for use of public resource/ must be best for public/environment	--	--	4	13%	1	5%	--	--
Other	2	14%	2	7%	2	10%	1	4%

Survey question: 8c. Please tell us why you chose your level of agreement with the two options. Multiple responses permitted. Respondent proportions may not add to 100% due to rounding. Values at 0% indicate less than 1% of respondents selected this option. – option not selected. Excludes those who preferred not to answer. *Small base size, interpret with caution.

Table C 27: Agreement with Options for Transitioning to a New Royalty Structure by Interest Group

Reason	Member of the Public (n=632)		First Nation/ Indigenous Person (n=13)*	Non-Governmental Organization (n=7)*	Oil and Gas Company (n=11)*
	#	%	#	#	#
Transition should happen sooner/companies should pay more sooner	350	55%	6	3	2
Must stop/ slow use of fossil fuels	95	15%	0	1	0
Stop supporting/subsidizing oil & gas industry	58	9%	1	1	0
No grandparenting/makes situation worse/creates two systems	52	8%	1	3	0
Gradual approach fairer/easier/ less disruptive for industry/ industry needs time to adjust	39	6%	2	0	2
Allow industry to protect investments/keep industry sustainable/incentives to transition/grandparenting with time limit	37	6%	2	0	5
Rapid transition will slow environmental degradation	40	6%	1	0	0
Gradual approach allows industry to delay changing/drag heels/not change	32	5%	0	0	0
Set timeline is fairer/clearer/transparent	21	3%	0	1	2
Neither approach good/is best	19	3%	0	0	0
Adequately compensate for use of public resource/ must be best for public/environment	18	3%	0	0	1
Other	19	3%	1	0	1

Survey question: 8c. Please tell us why you chose your level of agreement with the two options. Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 27: Agreement with Options for Transitioning to a New Royalty Structure by Interest Group
Continued

Reason	Oil and Gas Industry Association (n=6)*	Local government (n=7) *	Other/Community Organization (n=17)*
	#	#	#
Transition should happen sooner/companies should pay more sooner	1	1	8
Must stop/ slow use of fossil fuels	0	1	2
Stop supporting/subsidizing oil & gas industry	0	3	4
No grandparenting/makes situation worse/creates two systems	0	1	0
Gradual approach fairer/easier/ less disruptive for industry/ industry needs time to adjust	1	1	1
Allow industry to protect investments/keep industry sustainable/incentives to transition/grandparenting with time limit	2	0	0
Rapid transition will slow environmental degradation	0	0	2
Gradual approach allows industry to delay changing/drag heels/not change	1	0	1
Set timeline is fairer/clearer/transparent	1	0	1
Neither approach good/is best	0	0	0
Adequately compensate for use of public resource/ must be best for public/environment	0	1	0

Reason	Oil and Gas Industry Association (n=6)*	Local government (n=7) *	Other/Community Organization (n=17)*
	#	#	#
Other	1	0	2

Survey question: 8c. Please tell us why you chose your level of agreement with the two options. Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 28: Preference for How Existing Royalty Incentives are Managed by Region

Preference	Mainland / Southwest (n=172)		Vancouver Island / Coast (n=198)		Thompson -Okanagan (n=31)*		Kootenay (n=34)*	
	#	%	#	%	#	%	#	%
No incentives/subsidizing industry, eliminate/recoup well credits	125	73%	117	59%	18	58%	20	59%
Must stop use of fossil fuels/cancel licenses	12	7%	23	12%	7	23%	5	15%
Move immediately/quickly to new framework	14	8%	25	13%	3	10%	2	6%
Gradual increase/grandfathered but with a finite end date/time to adjust	7	4%	8	4%	3	10%	2	6%
Framework that addresses impact on climate change and environment	10	6%	16	8%	0	0%	4	12%
Industry must be held responsible for environmental damage/pay to restore environment	11	6%	6	3%	2	7%	3	9%
Use funds for/move to renewable energy/retrain workers	8	5%	12	6%	3	10%	1	3%
Honour/transition existing credits/recognize investments/support economic sustainability	4	2%	5	3%	1	3%	1	3%
Set date/yearly goals	5	3%	10	5%	1	3%	1	3%
Increase royalty fees/rates	3	2%	7	4%	1	3%	1	3%
Transparent change/ must have oversight/independent management/non-political	3	2%	4	2%	1	3%	1	3%
Other	6	4%	4	2%	1	3%	2	6%

Survey question: 9. Do you have a preference in how existing royalty incentives, including the Deep Well program, are managed during the transition process? Multiple responses permitted. Respondent proportions may not add to 100% due to rounding. Excludes those who preferred not to answer. – option not selected. *Small base size, interpret with caution.

Table C 28: Preference for How Existing Royalty Incentives are Managed by Region Continued

Preference	North Coast & Nechako (n=12)*		Northeast (n=28)*		Cariboo (n=14)*		Out of Province (n=22)*	
	#	%	#	%	#	%	#	%
No incentives/subsidizing industry, eliminate/recoup well credits	7	58%	8	29%	5	36%	5	23%
Must stop use of fossil fuels/cancel licenses	2	17%	2	7%	1	7%	0	0%
Move immediately/quickly to new framework	1	8%	1	4%	1	7%	0	0%
Gradual increase/grandfathered but with a finite end date/time to adjust	0	0%	6	21%	0	0%	9	41%
Framework that addresses impact on climate change and environment	0	0%	0	0%	1	7%	0	0%
Industry must be held responsible for environmental damage/pay to restore environment	0	0%	0	0%	1	7%	3	14%
Use funds for/move to renewable energy/retrain workers	0	0%	0	0%	1	7%	1	5%
Honour/transition existing credits/recognize investments/support economic sustainability	1	8%	6	21%	1	7%	5	23%
Set date/yearly goals	0	0%	4	14%	1	7%	1	5%
Increase royalty fees/rates	1	8%	0	0%	0	0%	0	0%
Transparent change/ must have oversight/independent management/non-political	0	0%	1	4%	1	7%	1	5%
Other	1	8%	2	7%	3	21%	2	9%

Survey question: 9. Do you have a preference in how existing royalty incentives, including the Deep Well program, are managed during the transition process? Multiple responses permitted. Respondent proportions may not add to 100% due to rounding. Values at 0% indicate less than 1% of respondents selected this option. – option not selected. Excludes those who preferred not to answer. *Small base size, interpret with caution.

Table C 29: Preference for How Existing Royalty Incentives are Managed by Interest Group

Preference	Member of the Public (n=457)		First Nation/ Indigenous Person (n=11)*	Non-Governmental Organization (n=8)*	Oil and Gas Company (n=13)*
	#	%			
No incentives/subsidizing industry, eliminate/recoup well credits	284	62%	5	4	0
Must stop use of fossil fuels/cancel licenses	48	11%	0	1	0

Preference	Member of the Public (n=457)		First Nation/ Indigenous Person (n=11)*	Non-Governmental Organization (n=8)*	Oil and Gas Company (n=13)*
	#	%	#	#	#
Move immediately/quickly to new framework	40	9%	2	1	0
Gradual increase/grandfathered but with a finite end date/time to adjust	26	6%	1	0	5
Framework that addresses impact on climate change and environment	28	6%	2	0	0
Industry must be held responsible for environmental damage/pay to restore environment	25	6%	1	0	0
Use funds for/move to renewable energy/retrain workers	23	5%	1	1	0
Honour/transition existing credits/recognize investments/support economic sustainability	18	4%	0	1	5
Set date/yearly goals	20	4%	0	1	0
Increase royalty fees/rates	12	3%	0	1	0
Transparent change/ must have oversight/independent management/non-political	11	2%	0	0	1
Other	16	4%	1	1	2

Survey question: 9. Do you have a preference in how existing royalty incentives, including the Deep Well program, are managed during the transition process? Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.

Table C 29: Preference for How Existing Royalty Incentives are Managed by Interest Group
Continued

Preference	Oil and Gas Industry Association (n=3)*	Local government (n=3) *	Other/Community Organization (n=16)*
	#	#	#
No incentives/subsidizing industry, eliminate/recoup well credits	0	2	10
Must stop use of fossil fuels/cancel licenses	0	0	3

Preference	Oil and Gas Industry Association (n=3)*	Local government (n=3) *	Other/Community Organization (n=16)*
	#	#	#
Move immediately/quickly to new framework	0	0	4
Gradual increase/grandfathered but with a finite end date/time to adjust	1	1	1
Framework that addresses impact on climate change and environment	0	0	1
Industry must be held responsible for environmental damage/pay to restore environment	0	0	0
Use funds for/move to renewable energy/retrain workers	0	0	1
Honour/transition existing credits/recognize investments/support economic sustainability	0	0	0
Set date/yearly goals	2	0	0
Increase royalty fees/rates	0	0	0
Transparent change/ must have oversight/independent management/non-political	0	0	0
Other	0	0	1

Survey question: 9. Do you have a preference in how existing royalty incentives, including the Deep Well program, are managed during the transition process? Multiple responses permitted. Numbers might not add to 100% due to rounding. Excludes those who preferred not to answer. *Note base sizes too small to report proportions.