

**NOVA SCOTIA DEPARTMENT OF ENERGY**

**BUSINESS PLAN**

**2003/2004**

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Dan McFadyen  
Deputy Minister

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Ernest L. Fage  
Minister

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## **MESSAGE FROM THE MINISTER**

The past few years have been exciting ones for Nova Scotia's energy sector. With an increased interest in our offshore oil and gas resources, a global focus on climate change and a more competitive energy industry, there is little doubt that the energy sector will continue to be a valuable economic and social contributor to our way of life.

As the government works with all Nova Scotians to build a healthier, more prosperous and self-sufficient province, the Department of Energy is preparing to play a key role in building a strong economy, securing our future and improving the quality of life for Nova Scotians.

The 2003-04 Business Plan works with the Nova Scotia Energy Strategy to establish immediate priorities, focus on our goals and measure our success. With a strategic focus on the economic and social role our energy sector plays in the development of new opportunities and a brighter future for our children, we are positioning Nova Scotia as a world-class investment destination with a highly skilled workforce and an innovative, competitive business community.

The Honorable Ernest L. Fage  
Minister of Energy

## **MESSAGE FROM THE DEPUTY MINISTER**

2003-04 marks the first full year of the new Department of Energy. With the Energy Strategy as a framework, this Business Plan provides the department with a strategic focus on key priorities that will guide our efforts in the coming year.

The energy sector means more to Nova Scotians than oil and gas. Electricity, climate change, air quality, energy efficiency - are parts of the energy sector that impact our every day existence. The Department understands how important these issues are to all Nova Scotians and is committed to ensuring that they are managed in a way that reflects the public interest while ensuring we are prepared to meet the challenges of the future.

With increased exploration onshore & offshore, a national effort to address climate change, and a growing energy sector, the next year promises to hold exciting developments for Nova Scotia. The Department of Energy is well positioned to take on these new challenges and continue to work with industry partners, communities and other governments to serve the interests of Nova Scotians.

Dan L. McFadyen  
Deputy Minister of Energy

## 1. MISSION

The Energy Department's mission is the supervision, direction and control over all affairs and matters relating to the exploration, development and use of energy including oil and gas, electricity and renewable energy and other natural resources when used for the production of energy.

## 2. PLANNING CONTEXT

### **Opportunities and Strengths**

Nova Scotia's energy sector is a source of tremendous economic strengths, opportunities and challenges. The existing fuel mix, with coal dominating electricity generation and oil dominating transportation and heating, is under pressure from international economic and environmental forces. Against this backdrop, Nova Scotia is seeing a resumption of oil & gas offshore exploration on a scale not seen since the mid-eighties combined with a solid base in offshore natural gas production and continuing development.

### *Current Fuel Sources and Trends*

Our transportation needs today and in the medium term will continue to require oil in its various refined forms. From jet fuel for the air transport sector to gasoline and diesel for automobiles and trucks, oil will continue to be a major factor in our energy mix. Likewise, it is expected that coal will remain a significant factor in meeting our electricity demand. Despite these factors, changes in the fuel mix for energy in Nova Scotia are coming.

In the next year, local natural gas consumption will move beyond the four founding industrial gas users that helped anchor the Sable Offshore Energy Project. Local gas distribution means new

fuel sources and competition in several parts of the province including northern Nova Scotia, the Strait area of Cape Breton and in Halifax Regional Municipality.

Future energy demand will also be met by the growing use of renewable energy sources. At present, small hydro, tidal and biomass provide a relatively small renewable component to Nova Scotia's energy mix. However, there is significant potential for the development of other renewable energy sources in the province. Wind presents the best opportunity for new, renewable, utility-scale generation, particularly as the technology is becoming increasingly reliable and cost-competitive with other sources.

The Nova Scotia energy sector has also become export-oriented. A significant portion of the natural gas production from the Sable Offshore Energy Project is surplus to our existing energy needs (approximately 35% is under contract to customers in Nova Scotia and New Brunswick, the balance to customers in New England). In a world that is paying increased attention to security, especially since September 11, 2001, Nova Scotia's position as a nearby and reliable supplier of energy to northeastern North America is an important strategic advantage.

### *Opportunities for Growth*

**Oil and Gas** - The offshore presents the largest single economic growth opportunity for Nova Scotia over the next 10 years. The opportunities come in the following forms:

- Exploration: a rise in exploration creates and sustains more than 1000 jobs directly with many more indirectly. In 2003 Nova Scotia is expecting deep water drilling near the Annapolis Discovery by Marathon and its partners; deep water drilling by Imperial Oil and EnCana; and shallow water drilling by EnCana, Canadian Superior and ExxonMobil. The rise in exploration is also building new strengths in supply boat construction and drilling rig completion/refit. It will also set the stage for future development projects.
- Development: From 1990 to 2001 total direct private sector oil & gas investment in Nova Scotia for offshore oil and gas was \$5 billion. The Sable Offshore Energy Project is advancing Nova Scotia's offshore fabrication and construction capability and

competitiveness. Future projects should also contribute to the growth of this sector by further enhancing our fabrication, construction and assembly capability, creating new investment in our infrastructure and capacity and enriching the development of key human resources skills and experience.

- Production: Nova Scotia is currently producing approximately 500 million cubic feet per day (MMcf/d) of sales gas — all of it from the Sable Offshore Energy Project which began production on December 31, 1999. The creation of a transportation system to deliver natural gas to markets in the Maritimes and New England has been a major factor in the drive to discover and develop other sources.
- Utilization: natural gas will help create a more competitive energy sector to the advantage of all Nova Scotians. Increased production of natural gas and the associated liquids also increases the possibility of the development of a viable petrochemical industry.

Building the infrastructure to receive and deliver natural gas and to use it in new industrial processes also represents a major economic opportunity for Nova Scotia. The establishment of gas distribution franchises not only makes gas available to Nova Scotians, it also has a major economic impact through construction.

- Revenue from the offshore such as royalties and corporate taxes are expected to rise as projects recover their investments and operating costs. Revenues are expected to double in 2003-04 and exceed \$100 million per year as early as 2007.

**Renewable Energy** - Nova Scotia also has significant opportunities when it comes to expanding our renewable energy base. The current planned increase in wind production is likely to be only the first step in a move to generate a larger portion of our electricity from non-polluting, renewable sources. As sustained wind energy is available at many locations throughout Nova Scotia, so are the potential economic opportunities from its development.

**Energy Efficiency** - New technologies and processes should serve to moderate growth in energy demand. Energy efficiency opportunities in transportation and space heating will serve to reduce our dependence upon all fuel sources. Opportunities exist in Nova Scotia to become

part of the world-wide drive to develop new energy sources and fuel-efficient methods and help address issues such as climate change.

**Training, Research and Development** - Training and research and development opportunities cut across all stages and parts of the energy sector. Energy industries and the supply sector that supports them require highly trained employees who are well compensated for their skills. With respect to research and development, the energy agenda extends from clean coal technologies to improving our understanding of the ocean environment to developing new technologies for the remote and harsh environments seen in the deep waters off the Scotian Shelf. The federal government has key lead responsibilities in many of these areas and has established programs to fund research. Accessing these funds to enhance energy opportunities in Nova Scotia and encouraging federal initiatives to address Nova Scotia priorities is required.

#### *Challenges Facing Nova Scotia's Energy Sector*

Even with the promise of offshore gas and oil, the energy sector in Nova Scotia faces significant challenges. As we continue to plan and provide for the province's energy future, we must be mindful of the challenges we face both around the globe and here at home.

**Climate Change** - In 2002, Canada became the 100<sup>th</sup> country to ratify the Kyoto Protocol. The federal government has committed to reduce greenhouse gas emissions by 240 Megatonnes by 2012. Reaching this target will require significant effort from industry, governments and citizens. With its reliance on coal for electricity generation, Nova Scotia has a large stake in the implementation of a national plan for cutting emissions in Canada. The Department continues to chair the federal, provincial and territorial committees working to ensure the national implementation of the Kyoto protocol provides a clear plan for reducing emissions that does not place an unreasonable burden on any region of the country.

**Electricity** - Nova Scotians have enjoyed relatively stable electricity prices in recent years and our vertically-integrated, regulated utility currently offers among the lowest rates in northeastern North America. However, Nova Scotia Power Inc. is currently under pressure from higher fuel costs, a volatile Canadian dollar, and increases in corporate income taxes. Globally there is a

trend to increasing competition in the industry, and increasing integration of the North American electricity marketplace. The province's strategy is to ensure that we are positioned to take advantage of any benefits from increasing competition, while protecting our regional competitive advantage in electricity prices.

**Coal** - Nova Scotia still depends largely on coal as a source of electricity. Currently, this is an advantage because coal is competitively priced. In the longer term, rising environmental standards will create significant challenges with respect to the air emissions of coal-burning facilities. Meeting these challenges may include development and application of clean coal technologies, a move to cleaner fuel sources, and using electricity more wisely.

**Offshore Oil and Gas** - Nova Scotia production of oil and gas is a relatively new development that faces significant challenges from many sources. The Nova Scotia offshore area is subject to harsh weather conditions, especially in the winter. There are long-established marine interests that need to be understood and addressed. Activities are regulated extensively by two levels of government and are subject to strict and extensive environmental and safety requirements. The full geological potential of the offshore is not yet proven.

More projects are needed to support a large and diversified service sector with multiple competitors. As a relative new comer on the national and international oil & natural gas scene, Nova Scotia needs to develop policies and programs that provide a competitive business climate, to encourage needed investment and allow the Province to achieve maximum benefit from its offshore resources.

**Onshore Oil and Gas** - Nova Scotia has identified onshore petroleum potential but there have been no significant discoveries in the province to date. Most of the infrastructure to deliver onshore natural gas discoveries is now in place. Exploration interest is increasing and coalbed methane developments are also a possibility. Continuing exploration work is required to prove coalbed methane potential in Nova Scotia.

**Renewable Energy** - Nova Scotia currently produces about 8% of its electricity from renewable sources including hydro. Increasing the amount of renewable energy in our province will have environmental benefits, and will help position the province for a future in which reliance

on fossil fuel sources will inevitably decrease. The challenge is to properly assess the province's wind resource, and find ways to encourage the development and use of a variety of renewable energy sources that, while increasingly so, are not yet fully cost-competitive with traditional large scale electrical generation.

**Conservation** - Efficient use and conservation of energy equates to a cost-efficient source of new supply and has important environmental benefits. The challenge for energy consumers is to make wise energy choices. Government has accepted the challenge to demonstrate leadership in efficient and wise use of energy.

### 3. **STRATEGIC GOALS**

The Department of Energy has three strategic goals which guide our day-to-day operations.

#### **Economic Growth**

*The Goal* - A world-class energy sector that achieves sustainable economic development in balance with high social and environmental standards

*The Reason* - Nova Scotia is fortunate to have access to a wide variety of indigenous energy resources including coal, wind, wood fibre, natural gas, and hydro power. We have an opportunity to realize the significant benefits from the development and use of these resources but must do so in a manner which enriches the social fabric of the Province and enhances the environment.

*The Result* - Nova Scotia will continue to reap the benefits of a growing energy sector that makes significant contributions to our economy, provides new opportunities for Nova Scotians and explores new ways to preserve and protect our environment. The energy sector will also provide opportunities for Nova Scotia based businesses in many sectors to achieve international competitiveness including those that use local energy resources. Nova Scotia will become a recognized leader in new technologies and will attract new business world-wide through innovation and the commercialization of our research and development in the energy sector.

## **Social and Economic Benefits**

*The Goal* - Reap the economic, and social benefit's of the province's rapidly expanding offshore energy sector.

*The Reason* - Our offshore oil and gas industry, although in its infancy, is expanding rapidly. The significant potential for future discoveries and developments holds the promise of employment for Nova Scotians, revenue to the provincial government to support social programs and initiatives and direct and indirect benefits throughout the economy for current and future generations.

*The Result* - Nova Scotia will become a more prosperous province with a skilled workforce ready to take on the challenges of the new oil and gas industry, and a plan for the continued exploration, development and management of our natural resources.

## **Environment**

*The Goal* - A cleaner environment and a better quality of life for Nova Scotians.

*The Reason* - As our energy sector evolves, we must be in a position to address environmental issues. We must plan to cut undesirable air emissions such as sulfur dioxide and particulate matter and to reduce greenhouse gas emissions to make for a better future for our province and our planet. The impacts of oil and gas development on our oceans must also be addressed.

*The Result* - Through conservation, renewable energy resources and the responsible development of our offshore, Nova Scotia will continue to improve the quality of our environment and contribute to the national efforts to address climate change.

## **4. CORE BUSINESS AREAS**

- **promotion of economic activity and benefits** - focuses on opportunities for existing industries and the attraction of new investment activity to the Province as well as maximizing

the benefits available to the Province from such investment.

Programs and services in this area are designed to encourage the growth of the Nova Scotia economy in an environmentally responsible manner, help ensure a secure supply of energy to the provincial economy and promote local procurement employment and training. Existing and new energy opportunities will continue to provide a significant component of the provincial economy. The Province, through the Department of Energy will vigorously pursue opportunities to maximize the value of all its energy resources.

Major programs include:

- ▶ ensuring the principal components of the province's fiscal and regulatory regimes are competitive with other regions of the continent and the world;
  - ▶ economic analysis of the financial and social benefits and costs of energy development and use
  - ▶ promoting Nova Scotia energy opportunities at industry events such as regional, national and international trade shows, conferences and other promotional opportunities
  - ▶ assessing the competitive position of the province of Nova Scotia in relation to future energy industry opportunities
  - ▶ geophysical and geological analysis of oil and gas resources
  - ▶ identifying industrial development and infrastructure opportunities
  - ▶ understanding the impacts and benefits of electricity deregulation
  - ▶ working with private sector organizations to advance the province's manufacturing and technical capabilities
  - ▶ advancing industry's knowledge of the resource potential of both the onshore and offshore areas of Nova Scotia
  - ▶ maintaining inventories of Nova Scotia capabilities and contract opportunities
  - ▶ analyzing the effectiveness and efficiency of regulatory processes and making improvements where necessary
  - ▶ assessing energy research and development opportunities
- 
- **educating and advising Nova Scotians on energy issues** - involves making Nova Scotians aware of the vast array of energy - related opportunities available to them in such areas as the energy choices available, employment and training opportunities, wise use of energy and the

economic and environmental consequences of energy development and use. It also involves supporting the development of formal opportunities for training and apprenticeship to enable Nova Scotians to gain employment in the energy sector.

Major programs include:

- ▶ promoting employment opportunities for Nova Scotians in the energy marketplace
  - ▶ in conjunction with Nova Scotia educational institutions, developing and supporting energy related education programs
  - ▶ developing and administering programs designed to provide information to Nova Scotians on wise energy choices
  - ▶ understanding and educating the public on the economic impact of the energy industry in the Province
  - ▶ keeping the public of Nova Scotia informed on energy related issues within the province, across the country and internationally.
  - ▶ understanding the types and supply of labor skills necessary for success in the energy sector
  - ▶ informing organizations, companies and the public on the likely impacts of major policies such as climate change
  - ▶ supporting the development of formal opportunities for on the job training and apprenticeship to enable Nova Scotians to earn employment in the energy sector
- **Representing the interests of the Province before regulators, other governments and agencies** - involves putting Nova Scotia's position before those organizations which have direct and indirect control over portions of Nova Scotia's energy industry.

Programs and services in this area include appearing before foreign, federal and provincial quasi-judicial regulatory bodies, to present the Province's interests with respect to the implications of proposals being brought forward by industry. This area also includes making the Province's views known to other levels of government and private sector organizations when new policies, legislation and programs are being developed. In this way, the Department helps to ensure that the energy industry develops in a manner consistent with the Province's overall strategy.

Major programs include:

- ▶ effectively communicating the Province's position, policy and priorities to the Canada Nova Scotia Offshore Petroleum Board in relation to the exploration, development and production of oil and gas in the offshore area
  - ▶ interventions before the provincial Utility and Review Board in areas such as natural gas distribution and electricity
  - ▶ interventions before the National Energy Board and the United States Federal Energy Regulatory Commission in such areas as federal energy policy, interprovincial and international pipeline expansions, pipeline tolls and energy exports from Canada.
  - ▶ regular interaction with the federal governments of both Canada and the United States and municipalities to promote the interests of Nova Scotians.
  - ▶ continuing to advise the Minister as to obligations under the *Accord Act* which include both reacting to fundamental discussions and providing policy direction to the CNSOPB
- **administering contracts, agreements, rights and memorandums of understanding with public and private sector partners** - involves ensuring that the Province's rights and obligations under binding agreements are met.

In administering the province's energy opportunities, the Province enters into a number of agreements with the private sector, other governments and government agencies. In order to ensure that obligations on both sides are realized, the Department is in constant communication with its partners on the status of the agreements, information exchange, financial terms, negotiation of necessary adjustments and renewals and terminations. The Department is also active in undertaking the necessary steps to deliver on its specific obligations under such agreements.

Major programs include:

- issuing and managing the rights to explore for, produce and store hydrocarbons onshore Nova Scotia
- managing royalty agreements with petroleum producers
  
- reviewing and monitoring benefits plans
- administering memorandums of understanding and agreements with industrial partners
- administering funding agreements with various organizations such as educational institutions, research organizations and engineering groups.
- negotiating and implementing Nova Scotia's energy obligations under regional, national and international treaties and agreements
- assessment of the impacts, opportunities and costs of the implementation of the Kyoto Protocol
- design and implementation of energy efficiency and renewable energy programs
- negotiation of major pipeline toll settlements

## 5. PRIORITIES

### S promotion of economic activity and benefits;

- **Priority - completing the work of the Electricity Market Governance Committee.** Established under the Province's Energy Strategy in 2001, the Committee is responsible for recommending the terms under which the electricity market in Nova Scotia is restructured. Specific areas of concentration include opening up of the electricity transmission system, electricity sales to the wholesale market, rules governing the construction of new generation facilities and generation from renewable energy sources. The Committee's final report will be delivered to government early in the fiscal year. Approved recommendations must then be translated into legislation in 2003/04.

- ▶ **Priority - help to ensure the development of gas distribution in Nova Scotia.** Through participation in regulatory proceedings before the UARB, coordinating government administration of gas franchisees and direct liaison with gas distributors, the Province will pursue the realization of gas distribution in fiscal 03/04. Two regulatory proceedings and several government approvals will take place during the year.
  
- ▶ **Priority - identifying challenges and opportunities associated with deep water development with particular emphasis on deep water technology.** Exploration in Nova Scotia's offshore is moving into the deeper water of the slope. The technology required to explore and develop oil and gas resources in this environment is significantly different than that employed in the shallower water of the Scotian Shelf. The Department will be undertaking an assessment of the opportunities presented by this technology in the areas of research, development, fabrication, construction and employment.
  
- ▶ **Priority - continue to promote the Province at major oil and gas trade shows.** The offshore oil and gas sector continues to be a worldwide competitive industry in terms of attracting exploration activity and development investment. The Department will present technical papers on the NS oil & gas potential at conferences and prospect exchanges and lead provincial delegations to major offshore trade shows in Aberdeen, Houston and Calgary to promote the province as an oil and gas investment opportunity. This effort supports the top oil and gas priority of the energy strategy - to encourage further oil & gas petroleum exploration.
  
- ▶ **Priority - enhancing local benefits opportunities.** As a follow-up to the Atlantic Energy Roundtable, the Department will be working with the federal government, the Province of Newfoundland & Labrador

and the private sector to improve our offshore fabrication and supply capacity through identifying and matching business opportunities with Nova Scotia companies and through promoting Nova Scotia's fabrication and supply companies at trade shows.

**S informing, educating and advising Nova Scotians on energy issues;**

- ▶ **Priority - ensure the Nova Scotia workforce is positioned to take advantage of employment opportunities in the energy sector.** In order to maximize employment opportunities from offshore activity, Nova Scotians must be properly informed and advised of the projected skills demand areas, and educated and trained in relevant disciplines so that they are positioned for employment. Initiatives will include identifying the demand for and timely collection and dissemination of relevant labour market information, providing energy sector information to secondary schools, leveraging private sector energy co-op or summer work terms for post-secondary students, addressing requests for information on energy sector employment and training, working closely with industry and post-secondary education institutions to help ensure students receive the skills and training necessary for employment, and holding a private-public sector energy skills forum to identify solutions to major labour issues projected for the sector in the next five to ten years.
  
- ▶ **Priority - improve the understanding of energy issues in Nova Scotia.** Energy use and development is something that touches the lives of every Nova Scotian. Public information programs will be developed to create a high level of public understanding of issues such as climate change, the exploration and development of oil and natural gas, and electricity and renewable energy. Public education initiatives will include: video, print resources and training for educators; the creation of a library of publications and other information relating to energy issues; school and community-based educational tours; the development of print materials and website information; continued information sharing

and issue resolution with fishery and coastal communities; and, the creation of a public education working group that will identify innovative means of educating Nova Scotians on energy issues.

**S representing the interests of the Province before regulators, other governments and agencies**

- ▶ **Priority - presenting the Province's views on the Deep Panuke Project.** EnCana has requested and received a suspension of the public review of the Deep Panuke Project by the National Energy Board and the Canada Nova-Scotia Offshore Petroleum Board. The Department of Energy will continue to discuss the future of the project with EnCana and participate directly in any regulatory proceedings which are reinstated by the regulatory Boards.
  
- ▶ **Priority - approval of gas distribution construction, tolls and tariffs.** The Utility and Review Board has issued a gas distribution franchise to Heritage Gas and a conditional approval to Strait Area Gas. Heritage will be required to obtain subsequent approvals for the installation of pipe, operation of their distribution system, and their tolls and tariffs. The Department will be active in UARB proceedings in order to help ensure the early development of a distribution system, in a manner which meets the goals of the Energy Strategy. The Department will also continue to help coordinate the various approvals by other government departments at both the federal and provincial levels. The Department also plans to be directly involved in the second phase of the regulatory review of the Strait Area application.
  
- ▶ **Priority - presenting the Province's views on NSPI applications to the NSUARB.** It is anticipated that the UARB will be convening public hearings on the following electricity issues during the course of the 2003-2004 fiscal year: 1) NSPI Generic Rate Hearing; 2) NSPI Transmission Tariff Application; and 3) NSPI's 2004 General Rate Application. The Department of Energy will take the lead for the Province's intervention during the regulatory proceedings initiated by

the UARB. In the past this has involved the retention of legal support from the NS Department of Justice and expert witnesses.

**S administering contracts, agreements, rights and memorandums of understanding with public and private sector partners**

- ▶ **Priority - administration of the SOEP Royalty Agreements.**  
Nova Scotia has royalty agreements with each of the SOEP partners. In order to ensure Nova Scotia's royalty expectations are being met, ongoing administration of these agreements is necessary. The province will also establish a Nova Scotia Offshore Heritage Fund for the benefit of future generations. The Heritage Fund will receive and manage a meaningful portion of offshore revenues so that Nova Scotians, today and in the future, benefit from these non-renewable resources.
  
- ▶ **Priority - administering the Nova Scotia Accord back-in rights.**  
Under the Offshore Accord, the Province has the right to acquire at least 50% of any trunk line built in the offshore area. The Province will reassess the exercise of this right in Deep Panuke Project, once the regulatory status of the project has been clarified.
  
- ▶ **Priority - working with other stakeholders to make the oil and gas regulatory system more efficient and effective.** In cooperation with the Canada Nova Scotia Offshore Petroleum Board, the National Energy Board, the Government of Newfoundland and Labrador and Natural Resources Canada, the Province will continue to consult with petroleum producers and support industries in order to set priorities in this area. Specific steps to be taken include followup discussions from the Atlantic Energy Roundtable, resolution of occupational health issues in the offshore, and work associated with the Eastern Scotian Shelf Integrated Management Initiative

- ▶ **Priority - implementing Nova Scotia's obligations under the national climate change process.** The Province will continue to be active as part of the national process to determine burden sharing and provincial obligations following ratification of the Kyoto Protocol. In the meantime, the Department will continue to implement its Climate Change Strategy in order to meet those national obligations. As more becomes known on the specifics of Nova Scotia's obligations, the Department will make ongoing adjustments to its provincial Climate Change Strategy. Existing priorities in the Climate Change Strategy include substitutions to lower carbon fuels and a wide variety of energy efficiency measures.

## 6. BUDGET CONTEXT

<b>Department of Energy - Estimated Budget Expenditures by Core Business</b>		
	Forecast 2002\03 (Per 2003\04 Estimates Book)	Budget 2003\04 (Per 2003\04 Estimates Book)
	\$ Millions (or \$Thousands if appropriate)	\$Millions (or \$Thousands if appropriate)
Total Program Expenses - Gross Current	\$7,069,000.0	\$7,614,000.0
Net Program Expenses - Net of Recoveries	\$7,069,000.0	\$7,614,000.0

Salaries and Benefits	\$1,930,000.0	\$2,671,400.0
Funded Staff (FTEs)	31.0	41.2

## 7. OUTCOME PERFORMANCE MEASURES\*

Core Business Area:					
OUTCOME	MEASURE	DATA	TARGET- 2003-04 <i>(optional)</i>	TARGET- 2004-05	STRATEGIES to achieve target
Increased discovery of oil and gas resources	Number of exploration wells drilled offshore Nova Scotia	5 year average 1998-2002 - 3 wells		2004 - 8 wells	
Increase in awareness of energy issues, programs, services and opportunities	# of Nova Scotians accessing energy information and programs	Baseline to be established in 2003/04		To be determined based on baseline information	
External decisions which reflect Nova Scotia's values	% of regulatory decisions reflective of the NS written position	Being determined		90%	
Streamlined regulatory processes	Turnaround time on offshore royalty audit functions	Being defined		To be determined	

\*Outcome Performance Measures are presently being finalized. This will be completed in time for inclusion on the Energy Department web site by budget day

2003/04.

**APPENDIX A**

**ORGANIZATION CHART**

**Department of Energy**

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