

In early December, a small group from the Line Width Steering Committee within CAGC, CAPP GEO and SEPAC met to consider approaches to establishing a response to the Alberta Government's request to initiate action on reducing seismic line widths. A decision was made to retain a consultant to develop an options paper to assist the committee in this regard.

The options paper presented two differing approaches to responding to government pressure for reduced seismic line widths:

1. "Stay the Course" - Develop a strategy to counter government and public pressure for reduced seismic line widths. This would involve a focused public communication plan and government lobby campaign that would build on the significant line width reductions that the seismic sector has achieved in recent years.
2. "Engage the Change Agent" – Manage the pressure for reduced seismic line widths by initiating a formal structured process with government policy makers to determine whether change is required (cost/benefit approach) and if so, establish time lines, economic incentives and processes to minimize any unintended negative outcomes to the seismic and exploration industries.

Having reviewed the options presented in the discussion paper, the committee felt it appropriate to recommend option #2. In presenting this recommendation to the broader seismic community, the committee wanted to make it clear that this does not mean that we are necessarily endorsing further reductions in line widths. It is important to acknowledge that there is a minimum width that must take into account factors such as safety, evacuation parameters, economics and technological constraints. Having said that, the committee is also cognizant that we are "already on the big river of change", and that the best way to control where the river will take the sector, is to start to steer the boat rather than let it drift.

The committee believes that there are a number of questions that need to be addressed through a process of "engaging the change agent". These include:

1. Reviewing the Provincial government's data to insure it provides an accurate picture of the extent of the seismic footprint.
2. Identifying policy and fiscal incentives to address the costs of any potential changes in line widths.
3. Assessing the costs and ecological benefits of potential changes to line widths.
4. Identifying the geographical scope of the need for reduced line width benefits. Should line width reductions be applied everywhere or are there specific zones in the province where the reduced footprint is required?
5. Determining the safety, technological, operational and equipment limitations to further reductions in line widths.
6. Determining appropriate time frames for phasing in new requirements if line width reductions are warranted

Karen Wilkie, the lead policy analyst on the "Changing environmental behaviour through the use of incentives" (<http://www.cwf.ca>), said the aim of the Environmental Incentives Initiative, which is part of Canada West's Natural

Capital Project, is to discover whether the incentives will lead to the introduction of more sustainable water and land use practices across the western provinces.

"In broad terms," she said, "we can define incentives as any measure that encourages or motivates a particular behaviour or action. All of us encounter incentives in our day-to-day activities. Take, for example, the incentive we have to invest in registered retirement savings plans (RRSPs) to save on taxes. Companies use year-end bonuses to provide employees with the incentive to work harder or sell more product. There are many such examples of incentives that either change behaviour or motivate us to do better."

The idea of applying incentives to encourage better environmental performance, she added, is gaining attention in western Canada. "The growing interest in incentives is related to the changing nature of environmental public policy itself. The traditional approach relies on a system of regulations, permits, and enforcement where governments set minimum standards. Unfortunately, under such a system, there's no incentive for industry to improve its environmental performance beyond the minimum standard. And when this approach is applied in isolation, it may actually limit innovation and hinder the enhancement of natural capital."

The 'engage the change agent' approach would involve creating a forum to bring government (and potentially ENGO) stakeholders into a process to explore the challenge of reducing line widths. The objective of the process would be to reach consensus on establishing a longer term target for line widths (3-5 yrs.) and the strategies that would be implemented by the various parties to support ongoing progress toward achieving the targets. It would involve exploring opportunities and options with stakeholders (particularly government) to research issues and establish the data which is required to establish justifiable targets and strategies to achieve those targets. This process would include undertaking cost/benefit analysis of further reduction in line widths including addressing the following areas:

- Safety issues and operational concerns
- Equipment availability, technological limitations, logistical limitations, capital equipment turnover rates, and overall transition costs
- Ecological or environmental benefits— What benefits could be anticipated from an ecological and/or footprint standpoint and are they justified. How can research assist in establishing appropriate line width targets from an ecological standpoint? At what 'width' do seismic activities cease to affect ecological integrity. Are there other ways to manage these ecological effects which are cheaper or more effective?
- Economic and fiscal instruments – What economic and fiscal instruments would be effective to provide incentives to the sector and address unwanted cost dislocations to individual sector players. These could include mechanisms such as:

- TDA rebates
- Transferable royalty credits for heliportable or LIS seismic programs
- Land bonus rebates for seismic programs
- TDA incentives for integrated land management approaches
- Accelerated capital cost depreciation rates for necessary equipment replacement
- Research and development credits for new technologies
- Other ideas as developed through research and steering group ideas

From the Thursday Files

*Business is like a man rowing a boat upstream.
He has no choice; he must go ahead or he will go back.*

- Lewis E. Pierson