

BY E-MAIL ONLY

October 31, 2016

Peter Cordingley
President, Muriel Lake Basin Management Society

E-mail:

APPLICATION No. 1863046
CANADIAN NATURAL RESOURCES LIMITED
STATEMENT OF CONCERN NO. 30398

Dear Mr. Cordingley:

You are receiving this letter because you filed a statement of concern about Application No. 1863046. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the application, the applicable requirements, and other submissions or information about the application, and has decided that a hearing is not required under an enactment or otherwise necessary to consider the concerns outlined in your statement of concern.

Application No. 1863046 was filed by Canadian Natural Resources Limited (CNRL) for an amendment to its licence for an existing multi-well bitumen battery at 05-18-059-05 W4M. The application requests approval to install and operate a second 99 HP (74 Kw) gas compressor, and to change the maximum licensed inlet rates to reflect the increased gas volumes at the facility. An existing 74Kw compressor currently operating at the facility was exempt from licensing requirements but is included in the amendment application.

In its review of your concerns, the AER considered the following or decided as follows:

- You do not own the lands where the existing CNRL facility is located. You own a parcel in SW 20-59-05 W4M, which is on or near to Muriel Lake. Your concerns are similar to those raised by members of the Muriel Lake Basin Management Society, all of whose lands (yours included) are located approximately 2 km or more away from the existing CNRL facility.

- Your concerns about surface water flow/diversion and increased water use by CNRL are not related to the application. The application does not concern or relate to water use; CNRL confirmed that the existing operation and the proposed compressor addition do not require a water source, and CNRL does not intend to divert surface water for use in its operations. CNRL is and will continue to be required to adhere to requirements regarding surface discharge of collected surface run-on/runoff waters under the AER's *Directive 055: Storage Requirements for the Upstream Petroleum Industry*.
- CNRL provided a Noise Impact Assessment (NIA) for the project, which the AER reviewed and accepted. The report concluded that predicted noise at residences approximately 1.1 kilometres from the facility will be at or below the maximum levels permitted under the AER's *Directive 038: Noise Control*. In addition, to address landowners' concerns with noise, CNRL committed to using the same mitigation measures on the proposed new compressor as it has implemented on the existing compressor. The AER is satisfied that CNRL has addressed concerns about noise, and no person has demonstrated that he or she may be directly and adversely affected by noise as a result of the proposed additional compressor.
- CNRL addressed landowners' concerns about flaring and emissions by stating that air emissions related to the operation of the facility will meet the requirements of *Alberta Ambient Air Quality Guidelines*, and that CNRL does not anticipate flaring. CNRL has obtained a licence for a pipeline to conserve solution gas at the site and the additional compressor is required to handle the increased volumes of gas.
- Concerns about road use and dust are outside the AER's jurisdiction. The use of public roadways and dust control measures are matters within the authority of the local municipality. In response to concerns about traffic, CNRL stated that except for approximately two days during which crews would be installing the new compressor, there would not be any increased CNRL traffic to or from the site.

inquiries 1-855-297-8311
24-hour
emergency 1-800-222-6514

The AER has issued the applied-for licence amendment and this is your notice of that decision. A copy of the licence is attached. Under the *Responsible Energy Development Act* an eligible person may file a request for a regulatory appeal on an appealable decision. Eligible persons and appealable decisions are defined in section 36 of the *Responsible Energy Development Act* and section 3.1 of the *Responsible Energy Development Act General Regulation*. If you wish to file a request for regulatory appeal, you must submit your request in the form and manner and within the timeframe required by the AER. You can find filing requirements and forms on the AER website www.aer.ca under Applications & Notices: Appeals.

If you have any questions, contact Julia MacPhee at or e-mail

Sincerely,

inquiries 1-855-297-8311
24-hour
emergency 1-800-222-6514

<original signed by>

R. Borth

Director, Oil and Gas Authorizations

Enclosure (1): **(47253 Licence amendment)**

cc: Liana McMahon, Canadian Natural Resources Limited
AER Bonnyville Field Centre.