

BY E-MAIL ONLY

June 13, 2018

Jodi McNeill  
**Oil Sands Environmental Coalition**

**SYNCRUDE CANADA LTD.  
APPLICATION NO. 1871794  
AURORA NORTH TAILINGS MANAGEMENT PLAN  
STATEMENT OF CONCERN NO. 30504**

Dear Jodi McNeill:

You are receiving this letter because you filed a statement of concern (SOC) on behalf of the Oil Sands Environmental Coalition (OSEC) concerning the subject application filed by Syncrude Canada Ltd. (Syncrude). The Alberta Energy Regulator (AER) is appreciative of OSEC's contributions during the review of the application, including preparatory conversations and submissions for the Enhanced Review Process (ERP) technical meeting, your attendance at the ERP technical meeting on November 14 - 16, 2017, together with your closing submissions and your feedback on the draft approval conditions.

The AER has reviewed your SOC and feedback, along with the application, the applicable requirements, and relevant materials constituting the record of the application. The AER notes that after reviewing the draft approval conditions, OSEC provided detailed comments with outstanding concerns and key themes, and requested a hearing to consider the application. The decision report for Syncrude's Aurora North Tailings Management Plan (TMP) application addresses many of the concerns you raised, such as the following:

- Syncrude's use of Composite Tailings (CT) technology. The AER's decision on the use of CT is found in the Composite Tailings Technology section of the decision report.
- fluid tailings inventory and pace of management is not in alignment with *Directive 085*. The AER's decision regarding the fluid tailings inventory is set out in the Fluid Tailings Profiles and Project-Specific Thresholds section of the decision report.
- lack of alternative technologies for the treatment of tailings. The AER's views on these issues are found in the Fluid Tailings Treatment Technology section of the decision report.

- the need for additional information regarding the return of process affected water to the environment, and holistic water management including salinity impacts. The AER's decisions are found in the Subobjective 2, the Fluid Tailings Treatment Technology, and the Surface Water and Groundwater sections of the decision report.
- Ready-to-Reclaim (RTR) criteria, including consolidation and settlement issues, and establishment of peat accumulating wetlands. The AER's decision is found in the Ready-to-Reclaim Criteria section of the decision report.
- uncertainty and risks, including environmental risks posed by dams, fluid tailings, tailings structures and process-affected water, and how these risks will be managed. The AER's decisions on this are found in the Tailings Water Release and Dam Decommissioning sections of the decision report.
- transparency and ongoing engagement. The AER's decision on ongoing engagement is found in the Stakeholder and Indigenous Community Engagement section of the decision report.

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The AER notes that at the ERP technical meeting, Syncrude made commitments to OSEC sharing Base Mine Lake research, revisiting reclamation terms of reference, adding a Devonian assessment to the 2026 closure plan, and progressive reclamation of CT deposits.

In its SOC and feedback, OSEC also raised concerns or provided recommendations that are not part of the AER's decision on Syncrude's Aurora North TMP application, and therefore are not reflected in the attached decision report or approval. For matters related to policies and programs administered by the Government of Alberta, the AER intends to provide these concerns to the Government of Alberta.

You also raised questions about effects of the Aurora North TMP on potential recreation activities on OSEC's recreation leased lands. Syncrude's Aurora North TMP application is an amendment of an existing approval. The decision report addresses such topics as setting thresholds under *Directive 085*, ready to reclaim criteria, providing updated plans and information on tailings technology and deposits. In short, the approval deals with how tailings are managed on the existing approved mine site footprint.

This is an existing mine site and no new lands outside of Syncrude's lease will be used or impacted as a result of the Aurora North TMP amendment. There are no changes to Syncrude's Aurora North boundaries, nor is there any additional disturbance as a result of the Aurora North TMP amendment.

Based on the foregoing, the AER is of the opinion that the concerns outlined in OSEC's SOC have been addressed to the AER's satisfaction. Consequently, the AER has decided that a hearing is not required for the Syncrude Aurora North TMP.

As indicated in the decision report, the AER has issued the applied-for approval. This is your notice of that decision. A copy of the AER decision report, which includes the approval, 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, <http://www.aer.ca/applications-and-notice/appeals>.

If you have any questions, contact Lonny Olsen, phone 403-297-3513 or e-mail [Lonny.Olsen@er.ca](mailto:Lonny.Olsen@er.ca).

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Sincerely,

*<Original signed by>*

Paul Ferensowicz  
Senior Advisor

Enclosure (1): (AER Decision Report)

cc: Richard Pelletier, Syncrude Canada Ltd.  
AER SOC Coordinator  
ACO  
AER Indigenous Engagement  
AER Fort McMurray Field Centre