

July 16, 2018

BY E-MAIL ONLY

Jodi McNeill
Oil Sands Environmental Coalition

**IMPERIAL OIL RESOURCES LIMITED
APPLICATION NO. 1872083
KEARL OIL SANDS TAILINGS MANAGEMENT PLAN
STATEMENT OF CONCERN NO. 30508**

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 Imperial Oil Resources Limited (Imperial). The Alberta Energy Regulator (AER) is appreciative of OSEC's contributions during the review of the application, including 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.

The decision report for Imperial's Kearl Mine Tailings Management Plan (TMP) application addresses many of the concerns you raised, such as the following:

- fluid tailings inventory and pace of management is not in alignment with *Directive 085*. The AER's decision is in the Fluid Tailings Profiles and Project-Specific Thresholds section of the decision report.
- reliance on thickened tailings (TT) technology (i.e., thickeners and secondary chemical treatment), and a lack of alternative technologies and contingencies for the treatment of tailings. The AER's decision is in the Fluid Tailings Treatment Technology: Technology Selection section of the decision report.
- Ready to Reclaim (RTR) criteria, including settlement issues, final landforms and timelines. The AER's decision is 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 decision is in the Surface Water and Groundwater, Tailings Water Release, and Dam Decommissioning sections of the decision report.

- transparency and enhanced involvement. The AER's decision is in the Stakeholder and Indigenous Community Engagement section of the decision report.

In its SOC and feedback, OSEC also raised concerns or provided recommendations that are not part of the AER's decision on Imperial's Kearl 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.

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

You also raised questions about effects of the Kearl TMP on potential recreation activities on OSEC's leased lands. Imperial's 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 Imperial's lease will be used or impacted as a result of the Kearl TMP amendment. There are no changes to Imperial's Kearl boundaries, nor is there any additional disturbance as a result of the Kearl 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 Imperial Kearl 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@aer.ca.

Sincerely,

<original signed by>

Paul Ferensowicz
Senior Advisor

Enclosure (1): (AER Decision Report)

cc: Jennifer Haverhals, Imperial
AER SOC Coordinator
ACO
AER Indigenous Engagement
AER Fort McMurray Field Centre