

BY EMAIL ONLY

October 25, 2018

**SANIL SIVARAJAN  
SENIOR ENVIRONMENTAL & REGULATORY COORDINATOR  
ENVIRONMENTAL AND COMMUNITY AFFAIRS  
MCKAY MÉTIS SUSTAINABILITY CENTRE  
FORT MCKAY MÉTIS COMMUNITY ASSOCIATION**

**CENOVUS ENERGY INC.  
OIL SANDS EVALUATION (OSE) and APPLICATIONS NO:  
OSE180007 and 1911382, 1911383, 1911384; OSE180008 and 1911401; OSE180009 and  
1911392; OSE180010 and 1911394  
STATEMENT OF CONCERN NO. 31291**

Dear Sanil Sivarajan:

You are receiving this letter because you filed a statement of concern on behalf of the Fort McKay Métis Community Association (FMMCA) about Applications No. OSE180007 and 1911382, 1911383, 1911384; OSE180008 and 1911401; OSE180009 and 1911392; OSE180010 and 1911394. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the company's applications, and all applicable requirements and other submissions or information about the applications. The AER has decided that a hearing is not required to consider the concerns outlined in your statement of concern.

In our review of your concerns, we considered the following:

- The community of Fort McKay is approximately 220 km north via road and 175 km by air of the closest well site of the proposed OSE program.
- The OSE program is to drill 23 wells during the winter under frozen conditions to minimize the impact of the construction and drilling operations. The wells are oil sands evaluation wells and there is no production from these wells.
- Accesses into the planned locations will use existing access roads, trails and cut lines where available.

- Once well drilling is complete, the OSE wells will be abandoned and the site reclaimed in accordance with the terms and conditions outlined in the Notice of Decision for the OSE project.
- The AER has previously determined that OSE program impacts are localized and temporary in nature (*Decision 2013 ABAER 017*).
- The program area is within the Lower Athabasca Regional Plan (LARP), which addresses management of cumulative impacts on the environment on a regional basis. The activities proposed in the area of the applications are permitted under LARP.
- FMMCA has stated that they were affected by Key Wildlife & Biodiversity Zone; however, according to AER review, there are no locations within the Key Wildlife & Biodiversity Zone but the locations are within the Caribou Zone – for which Cenovus has submitted a Caribou Protection Plan and has monitoring requirements under their EPEA Wildlife Mitigation and Monitoring Plan.
- The information provided by FMMCA is general in nature and does not identify any site specific areas of impact that may result from the proposed project.
- Whether a decision of the AER may directly and adversely affect a party such as FMMCA is to be considered by the AER in light of the evidence properly adduced before it. FMMCA’s concerns are of a general nature and the information provided by FMMCA does not establish a sufficient degree of location or connection between the Application and the potential interference or impacts on its asserted Aboriginal rights. Accordingly, FMMCA has not demonstrated that it may be directly and adversely affected by the Application.

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 24-hour  
 emergency 1-800-222-6514

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the applications. The AER has issued the applied-for approvals and licences and this is your notice of that decision. Copies of the approvals and licences are attached.

You may file a regulatory appeal on the AER’s decision to issue the approval/licence if you meet the criteria within section 36 of the *Responsible Energy Development Act* and section 3.1 of the *Responsible Energy Development Act General Regulation*. Filing instructions and forms are on our website under Regulatory Appeal Process.

If you have any questions, contact \_\_\_\_\_ at \_\_\_\_\_ or \_\_\_\_\_

Sincerely,

<original signed by>

Paul Ferensowicz  
 Special Advisor, Industry Operations

Attachments

cc: Sanil Sivarajan, MMSC  
Michael Penner, Cenovus Energy Inc.  
Lisa Proctor, Cenovus Energy Inc.  
AER Bonnyville Field Centre  
AER Indigenous Relations  
Aboriginal Consultation Office

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