

September 25, 2020

By Email Only

Richard E. Harrison
Wilson Laycraft

**Statement of Concern No. 31764
Cabin Ridge Project Limited
Application No. A10104523 (CEP 200001)**

Dear Mr. Harrison:

You are receiving this letter because your client, the Municipal District of Ranchland No. 66 (MD), filed a statement of concern (SOC) about Application No. A10104523 (CEP 200001). The Alberta Energy Regulator (AER) has reviewed the SOC, along with the application, and all applicable requirements and other submissions or information about the application. The AER has decided that a hearing is not required to consider the concerns outlined in MD's SOC.

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

- The CEP impacts are localized and temporary in nature. The letter of authority is issued for a five (5) year term; two (2) years for operations and three (3) years for reclamation.
- In relation to the MD's concerns about this CEP interfering with its mandate to pursue development in accordance with its land use bylaw, AER approvals prevail over municipal bylaws pursuant to section 619 of the *Municipal Government Act*.
- In regards to the MD's concerns around invasive weeds, Cabin Ridge Project (Cabin Ridge) is required to comply with Alberta's *Weed Control Act* and to develop a management plan responsive to invasive weeds must be implemented throughout the life cycle of the program.
- In relation to the MD's concerns around impacts to grazing disposition holders, the AER did not receive any statements of concern from grazing disposition holders.

- In regards to the MD's concerns around an increase in public and random access, Cabin Ridge has committed to actively monitoring access control points to reduce the opportunity for additional traffic.
- With respect to the MD's concerns about wildlife, Cabin Ridge is required to adhere to all wildlife conditions and timing restrictions imposed in the Mountain Goat and Bighorn Sheep Zone, the Grizzly Bear Zone and the Key Wildlife Biodiversity Zones.
- Reclamation is to occur concurrently with the exploration program. All new or modified existing access and drilling sites will be reclaimed upon completion of the program and will be restored to their pre-exploration program condition. Should the applicant become defunct, the assets in its inventory will be transferred to the Orphan Well Association, which is funded through an industry levy, to oversee the care and custody of any orphaned assets.
- The granting of this CEP does not guarantee future development in the area, nor does it set a precedent for further mining activity. The CEP application is for exploration purposes only. Should Cabin Ridge wish to proceed with mine development, it will need to submit a separate coal program application to the AER at a later date. Each application that comes before the AER is assessed on its own merits.
- With respect to concerns regarding impacts to water, the proposed core hole locations will have a buffer zone of undisturbed vegetation between any proposed activity and any watercourse or waterbody in accordance with standard conditions that apply to Coal Exploration Programs. Cabin Ridge has indicated that it recognizes the sensitivity of the Oldman Watershed and will not be utilizing this watershed to conduct its operations; water will be hauled to the location specifically for the program.

Based on the above, the AER has concluded that the MD's concerns have been addressed to the AER's satisfaction and it is not necessary to hold a hearing before making a decision on the application. The AER has issued the applied-for approval and this is your notice of that decision. A copy of the approval is attached.

All AER-regulated parties must comply not only with the conditions of their authorizations, but with all of the AER's regulatory requirements. To ensure industry compliance the AER has developed its *Integrated Compliance Assurance Framework*, which embodies the three main components of all effective compliance assurance programs, those being education, prevention, and enforcement. You can find out more about how the AER verifies industry compliance and responds to noncompliance here: <https://aer.ca/regulating-development/compliance/compliance-assurance-program>.

You may file a regulatory appeal on the AER's decision to issue the approval if you meet the criteria within section 36 of the *Responsible Energy Development Act*. Filing

instructions and forms are located here: <https://www.aer.ca/regulating-development/project-application/regulatory-appeal-process>.

If you have any questions please contact SOC@aer.ca.

Sincerely,

<Original signed by>

Steve Van Lingen
Director, Oil Sand Mining and Coal
Regulatory Applications
/yc

Enclosure (1): Approval

cc: Sheldon Steinke, Municipal District of Ranchland No. 66
Darren Weaver, Cabin Ridge Project Limited
Chade Salame, Dahrogue Geological Consulting Ltd.
Jennifer Filax, AER
SOC Inbox, AER
Midnapore Field Centre, AER
Public Lands Regional Office, AER